



Fighting for taxpayers

May/June '03

The CTF honours the best of the worst

The Teddie Awards



In this issue:

► 2003 Teddie Awards

► The Tax Cut Battle

► The Year of Provincial Elections

Rt. Hon.
Jean Chrétien,
Prime Minister of
Canada

Canada Firearms
Centre
(aka: billion dollar
gun registry)

City of Winnipeg
\$1 million toilet

From the editor

Troy Lanigan is the CTF's
National Communications Director
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CTF work bearing fruit

Last issue in this space I wrote that your CTF will focus in the coming months on advancing a taxpayers' agenda to Liberal leadership contenders. This effort is already bearing fruit.

On May 15th your CTF launched its fifth annual Gas Tax Honesty Campaign (GTHC).

On average, 42% of the pump price you pay is tax. This includes such dubious levies as the 1995-imposed 1.5-cent per litre 'deficit reduction surtax' and applying GST to federal and provincial fuel taxes. A tax on a tax!

Best of all for the feds: fuel taxes are hidden. Politicians love to blame 'oil companies' for high prices (and even – hypocritically – launch 'investigations') all the while making off like bandits.

But here's the real fix: Of the \$4.76-billion collected by Ottawa last year, a mere 2.5% was earmarked for roadway development.

Your CTF's GTHC proposes a Municipal Roadway Trust that would return more than \$2-billion – each year – directly to municipal governments to help pay for local

roadway maintenance and development. The remainder would be returned to motorists in the form of lower taxes.

Municipalities are increasingly – and understandably – strained to meet infrastructure demands. To do so, municipalities across the country have been seeking new taxing authority: a ridiculous and frustrating proposition when one considers the billions already collected each year by governments.

So it was encouraging to hear Paul Martin commit in a recent speech before the Federation of Canadian Municipalities that, should he become Prime Minister,

“So it was encouraging to hear Paul Martin commit ... that should he become Prime Minister, municipalities can expect a share of gas tax revenues.”

municipalities can expect a share of gas tax revenues.

Both Paul Martin and leadership rival John Manley sought out CTF federal director Walter Robinson – who also spoke at the conference – to further discuss our proposals. After five years – several meetings, committee

hearings, and petitions in between – they're starting to listen!

A full feature on this year's campaign will be presented in your next issue of *The Taxpayer* – in the meantime, flip to page 21 and nominate your 'Highway from Hell' – part of our campaign to draw attention to the deteriorating state of the country's roads.

■ ■ ■

I regret to inform supporters of the departing British Columbia director Victor Vrsnik. Our spokesman for five years in the province of Manitoba, Victor transferred to BC last year. Due in no small part

to his leadership, Manitoba remains the CTF's fastest growing division. Victor has an incredible degree of foresight: he was integral in the CTF's successful work in eliminating bracket creep taxation, championed our work on lower gas taxes and has consistently articulated the growing importance of municipalities.

On behalf of the CTF we thank Victor for six exceptional years of service and wish him every success in the future.



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May June
2003

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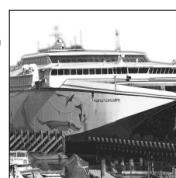
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Government jet or personal taxi cab?

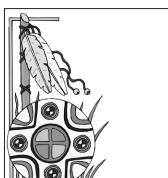
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Letters-to-the-editor

Increase the BPE

How refreshing to read that there is a simple method of improving disposable income. How extremely effortless the implementation of [increasing the Basic Personal Exemption] would be, and to think that the revenue agency would no longer have to deal with 2.1-million tax returns!

If Chretien wants to leave office with a legacy of some meaning, he has the opportunity to do so now. What better gift could he give to the citizens of this nation, than by increasing the Basic Personal Exemption?

Gregor B. Miller
North Vancouver, BC

Support for Aboriginal Policy Centre

The White Paper of 1969 pointed to the high road that would lead the Indian people of Canada to full citizenship. Instead, Pierre Trudeau and Jean Chretien took the low road that perpetuated the status quo. As a result, Indians have remained isolated from other Canadians. They have remained wards of the state who are denied the rights and privileges available to all other Canadians. Many are caught in a whirlpool of poverty, frustration and degradation with little chance or incentive to rise above their situation.

John Fisher
North Battleford, Saskatchewan

I only recently found the CTF's website and think the work you are doing is awesome! Thank you for fighting for the freedom of all Canadians no matter what colour!

Krista Cousin
Calgary, Alberta

How heartening it is to see more and more people challenging conventional wisdom in aboriginal affairs. The thrust of your work, that all Canadians should work from a level playing field, makes eminent good sense. I encourage your efforts.

Dick Estey
Vancouver, BC

Downloaded

The federal government pretends to have lowered taxes when in reality they have downloaded everything to provincial and municipal governments.

Property taxes are going through the roof. So is everything else, like water, gas and electricity. There

Letters-to-the-editor

Letters may be edited for length and content. Send them to:

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should not be GST on any of these items.

There is no fiscal responsibility in government, they just spend, spend, spend. For senior citizens it is getting tougher and tougher to make ends meet.

Ilona Brosnan
St Catherines, Ontario

TaxAction

I understand that periodically you have e-mails sent to supporters in between issues of *The Taxpayer* magazine.

As I have recently, with much frustrated effort, accomplished hooking up to the Internet (the bain of most seniors according to a friend of mine), I would appreciate having my e-mail added to your list of recipients.

I really do appreciate the work you are doing. The CTF does a better job than the Opposition in the legislative assembly.

Michael Marlowe
Edmonton, Alberta

*ED: Thanks Michael, we'll be sure to put you on. And a note to others: if you receive *The Taxpayer* magazine and are not also receiving *TaxAction* issues and action updates each month via fax or e-mail, please call 1-800-667-7933 to be added to the distribution list.*

Nyoto to Kyoto

This wild idea the government has about trading carbon credits does nothing to control so-called greenhouse gases. It is a money scheme

Letters-to-the-editor

that the government thinks will make Canada look good to other countries and cost millions, likely billions of tax dollars for absolutely no benefit.

I want some value for the things we do and spend money on. This kind of tomfoolery, malarkey – just give it a fool's name – that only governments come up with must not happen.

We are being led down the garden path, and you know what happens down there.

Glenn Laycock
Saltcoats, Saskatchewan

Bonaparte Decision

ED: In March, the CTF publicized the Ontario Court of Appeal's ruling that cleared the way for the children and grandchildren of native residential

school attendees to sue the federal government for "loss of culture" damages. The following two letters are in response to the decision.

We are in complete agreement with the CTF's position regarding the Bonaparte decision. In order to protect Canadian taxpayers it is imperative that this ruling be appealed. The untold billions of dollars that could be spent defending the government from future generations who can "coat tail" on to the original complaint may be staggering.

At some point people are going to have to take responsibility for their own well-being rather than blame their lot in life on every occurrence in the past.

Gilles J. Petrin
Edmonton, Alberta

I am shocked at the decision of the Court of Appeal and trust [the Minister] will not accept any decision in this matter without full argument before the Supreme Court of Canada.

Would we support the right of the grandchildren of Japanese Canadians to sue today's generation of Canadians for the loss or destruction of their culture because their grandparents were locked up during the war?

Should Acadians be allowed to sue for the loss of their community and property from two hundred years ago?

This nonsense must stop now.

William G. Jeffery
Mississauga, Ontario



Waste Watch

Sea King chairs?

The Department of National Defence recently lost a lawsuit against a supplier who provided 800 chairs valued at \$63,000 to the Naval Operations Training School in Halifax, NS. Apparently, the seats flipped so easily, that the Department declared them a safety hazard (no doubt putting them on par with the Sea King Helicopters).

When the Defence department tried to void the contract, the supplier sued. The court ruled that the department was at fault for failing to catch the flaw when the chairs were first inspected at the plant and then later when they were delivered.

With files from the *Globe and Mail*

Drug dealing proves costly

Proving it can't do anything right, Ottawa's foray into the underworld of drug dealing and pot production has taken another turn for the worse. In 2000, Ottawa gave Saskatoon-based Prairie Plant Systems Inc. (PPS) a five year contract worth \$5.75 million to grow marijuana for 'medicinal purposes.' The first crop — grown in a abandoned mine in Flin Flon, Manitoba — was so poor and inconsistent in quality it had to be destroyed.



Unfortunately, the next crop is not much better. The active ingredient in pot is THC and the government wants two strains of pot for testing — one with a high level of THC and the other with low levels to serve as a placebo.

A potent crop of marijuana has been developed with 20% to 25% THC — compared with the average street-level potency of 5% — but these plants are so difficult to grow, they too will be destroyed. "We don't want high maintenance plants," said one federal spokesman. PPS does have a set of plants with THC between 13% to 18% which may be suitable for testing purposes.

On the placebo side, things are not much better. Ottawa wants plants with THC potency of less than .1%, PPS has only been able to reduce the potency to .24% causing Ottawa to hold back part of the company's payment.

Typical of most drug dealer/addict dependent relationships, things are a bit tense between Ottawa and PPS. PPS is considering court action against the feds arguing that Ottawa has consistently discredited the company's work, which is hurting its ability to attract other business.

And while Canada looks to marijuana as prescriptive medicine, an article in the British Medical Journal states that if as many people smoked cannabis as cigarettes, it could result in the deaths of 30,000 people a year in

Government jet or personal taxi cab?

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that country. The authors state that smoking cannabis has the lethal potential to cause the same kind of health risks normally attributed to smoking cigarettes, such as lung cancer and heart problems.

With files from the *Globe and Mail/Independent News*

Under the B: Boondoggle

The beleaguered Saskatchewan government lost nearly \$8 million on a failed bingo project operated through the government's Saskatchewan Liquor and Gaming Authority (SLGA).

Ron Osika, the minister in charge of SLGA, initially stated that taxpayers lost \$6.5 million on the project. But in less than a week, this number climbed to \$7 million and then to \$8 million.

In February 2000, SLGA created a mega-bingo that would link 83 bingo halls across the province allowing patrons to participate in a large jackpot bingo. It was anticipated that the larger prizes would attract new bingo players. By June 2001, the government realized that the project was an abysmal failure and scrapped the initiative.

The province initially invested \$6.5 million for hardware, software and other implementation costs. However, this figure did not include other expenditures totalling \$1.4 million:

- Spending \$187,000 on two studies examining how a linked bingo might succeed. These were undertaken after the government realized mega-bingo was a flop.
- Another \$300,000 was spent on a system to track the sale of mega-bingo cards.

When it was discovered that the government had not even

**Manley's move
doesn't come
cheap**



developed a business plan for the project, Osika stated, "Evidently if we look back....perhaps there was not enough due diligence carried out."

With files from the *Regina LeaderPost*

MPs trim waist

Shocking but true, federal MPs are looking to trim the waste ... or should we say waist.

The House of Commons is considering a proposal to hire personal trainers for MPs so they can reduce their waist size.

Over the last couple of years, concerns have been raised that the lifestyle on Parliament Hill causes MPs to pork up. A number have turned to exercise programs in a effort to lose weight.

But a couple of Liberal MPs have voiced reservations about working out in the parliamentary gym without professional guidance. So Parliament's highly-secretive Board of Internal Economy is considering hiring personal fitness trainers for MPs.

An Ottawa-based fitness guru would cost taxpayers about \$40 an hour multiply that by three sessions a week by 52 weeks by 376 MPs and Senators. Well, you figure it out. An Atkins diet book could be purchased for the House of Commons library for about \$15.

With files from the *Regina LeaderPost*

Defense woes

In her 2003 Report, Canada's Auditor General expressed concerns about contracts the Department of Defence had entered into between 1995 and 1997 to clear 8,310 hectares of wood. The purpose was to make more room for combat exercises at the Combat Training Centre in Gage-

Waste Watch

town, New Brunswick.

The Department signed over 50 contracts with logging companies to clear the land. It was a barter arrangement in which the companies would be allowed to keep the wood in exchange for clearing the land. However, Fraser noted that the contracts were valued at \$4 million, while the wood on the land was valued at \$6.7 million.

Fraser stated that "The priority seemed to be to clear the land instead of ensuring that value was obtained for the trees on the land."

In fact, the contracts were so lucrative, that the military police were called in to investigate the possibility of corrupt dealings. No charges were laid.

Fraser added that despite the great deal, five years later the lumber companies had still not completed the grubbing process (removal of stumps) on nearly 25% of the land they harvested.

With files from the *National Post* / Auditor General's Report

O the hypocrisy

Two years ago, Arkansas Governor Mike Huckabee — tired of all the heckling he was receiving when he refused to increase taxes to balance the state's budget — set up a "Tax Me More Fund." Since Arkansas' constitution requires a balanced budget, and Huckabee refused to raise taxes, the state's budget could only be balanced by cutting spending. According to Huckabee, this new fund was the opportunity for all the big

spenders to put their wallet where their mouth was — they could voluntarily pay more in taxes to the state legislature.

However, despite all the talk, the tax and spend crowd showed very little interest. Since the fund was set up in November 2001, less than \$3,000 has been sent in.

Huckabee now carries stamped, self-addressed envelopes addressed to the fund, which he hands out to anyone who says taxes need to be raised.

In BC, Premier Gordon Campbell faced down those protesting his government's 2001 income tax cuts, by setting up a similar fund. Anyone who didn't like the tax reduction would have the opportunity to return their tax cut to the government. In fact, Campbell went one step further and said the money could be designated to a specific area of spending and actually increase the budget for that particular department. Of the \$1.5 billion in tax cuts the Liberal government provided in 2001, only 10 people have returned the money for a total of \$5,210.63.

Other jurisdictions that have initiated or are considering a "Tax Me More Fund" include: Pennsylvania, Oregon, Alaska and Kansas. Alabama has a similar fund, but it is being managed by an independent organization, which will forward on any monies they collect to the state legislature. The Alabama fund is dedicated to education.

With files from Yahoo news / Canadian Taxpayers Federation / CNS News



Cons lose exclusive golfing privileges

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Legal money-laundering scheme?

The Bloc Quebecois found a loophole that allowed them to legally scam some \$150,000 out of taxpayer wallets during the 2000 federal election campaign.

Under election rules, taxpayers reimburse candidates for up to 50% of their election campaign expenses — there is an expense cap related to constituency size — provided the candidate receives 15% of the popular vote. People making donations to political parties and candidates also receive a generous tax credit of up to \$500 for the donation. These two features were merged together into a legal money-laundering scheme in the 2000 federal election where approximately 1,000 Bloc supporters, contributors and candidates cashed in.

Under the scheme, the Bloc paid salaries to people who would normally volunteer at election time. The paid volunteers were required to donate all the money back to the party. The Bloc could now claim these salaries as part of its expenses and help it maximise out the 50% election expense rebate available from Elections Canada.

The volunteers, however, did not come out empty handed. Because of their donation — paid for by the party — these people were now eligible for a tax credit on their personal income tax.

Prior to the last federal election, Bloc Quebecois organizers held meetings to explain the scam.

Fourteen of the 20 largest election expense rebates sent out after the 2000 federal election were sent to Bloc candidates.

In 1996, Jean-Pierre Kingsley, the Chief Electoral Officer for Canada, advised the government about the problem and suggested

amendments be made to stop this potential abuse. Ottawa, of course, did nothing.

With files from the *National Post*

Prime Minister takes a taxi

In February, the Prime Minister was in New Brunswick for a series of events which culminated with his attendance at an Acadian festival dinner in Moncton. The next day he was scheduled to attend the opening ceremonies for the Canada Winter Games, being held in Bathurst about 200 miles north of Moncton.

However, rather than spend the night in a hotel — citing some important meeting — Chretien flew back to Ottawa on one of the government's new Challenger Jets and then back to Bathurst the following morning. A spokesman for Chretien's office refused to provide any additional information on what type of 'important meeting' the PM had.

Based on an \$8,000 per hour flying cost for the Challenger Jet, the flight to Ottawa and back again cost taxpayers \$28,000.

In a National Post article, CTF federal director Walter Robinson adeptly summed up Chretien's flight: "With those kinds of numbers, flying back and forth for one night is not a prudent use of tax money, as much as he may enjoy flying on those new jets."



Department of Defense loses log war

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With files from the *National Post*

Manley's costly move

When John Manley was appointed Deputy Prime Minister in January 2002, he determined that his office on Sparks Street wasn't quite up to par. So Manley decided to move to new digs on Metcalfe Street. This was also the perfect opportunity to upgrade.

According to an access to information request, Manley spent in excess of \$619,405 on the move with most of the money going to upgrading his office. This included spending over \$388,000 on new computers, telecommunication equipment and video systems. The rationale behind these additional expenditures was for security upgrades due to the events of 9-11. Of course, as a cabinet minister, Manley would have insider knowledge of how many terrorists the Immigration Department is letting into Canada each year. Maybe we should all be concerned.

Manley spent another \$206,000 on new furniture and equipment with the remainder spent on consultants, repairs and moving expenses.

These costs, unfortunately, don't include any additional costs associated with Manley's appointment as Finance Minister in June of last year. Now that he also controls the government purse strings, who knows what the Finance Minister has in mind.

With files from the *Ottawa Sun*

It's a sad day in Ferndale.

Ferndale is loosely described as a federal prison.

**Under the B:
Boondoggle**

Located 70 km east of Vancouver, the institution has long been criticized for the extravagant lifestyle afforded prisoners. It's part of Correction Canada's stable of minimum security prisons which don't have fences or bars and where convicts live in condo-style units.

Ferndale's membership includes such socialites as former Saskatchewan Cabinet Minister Colin Thatcher convicted in 1984 for the brutal slaying of his estranged wife. In 1999, Thatcher was allowed to ship his horse from his ranch in Saskatchewan to Ferndale, a privilege that was later revoked only because the media caught wind of it.

Now it's learned that the prisoners at Ferndale have had their exclusive memberships at the prison's golf course revoked. On April 2nd, the course was taken over by the Mission Community Services Society which is leasing the course. It still hasn't been decided if the prisoners can golf when the course is not being used by the Society's patrons.

The prison warden Brian Lang said, "We have finally concluded that the kind of attention the golf course attracted was, overall, negative from a correctional point of view. We've got a jail to run"

It took over 30 years to figure this out as the golf course was built in 1970.

A National Post article reported that of the 82 escapes from federal prisons recorded in 2000, the most common escape tactic involved these minimum-security prisons. The cons did not dig tunnels under



Waste Watch

the golf course, or climb the walls surrounding the swimming pool, they simply walked out the front gate.

Even more disturbing: Corrections Canada reports state that many of these escapees had been "inappropriately" placed in minimum-security prisons. This included three successful jail breakers who were serving life sentences for murder.

With files from the *National Post*

Friends in high places

In 1997 everything was moving along just fine for a Canadian-based company called Transelec. It had won a \$6.32 million contract — funded by the Canadian International Development Agency (CIDA) — to build a power line extension in the former French colony of Mali, Africa. The work was being done on behalf of that country's power utility, Energie du Mali.

Ottawa uses CIDA to provide financial assistance to projects in third world countries. The Agency doesn't give the money directly to these nations. Instead, it contracts the work to Canadian companies. Yes, we are talking about a thinly veiled corporate welfare scheme, with a social twist.

Quebec-millionaire Claude Gauthier — a personal friend of Prime Minister Jean Chretien — owns Transelec. According to the *National Post*, this contract was awarded to Transelec shortly after the company made a \$10,000 do-

In this legal election scam, the Bloc Quebecois turns votes into dollars.

nation to Jean Chretien's 1997 re-election campaign and after Gauthier — through a numbered company — bought land worth \$525,000 off a business the Prime Minister had an interest in.

By 1999, Transelec — citing material shortages and labour problems — was behind schedule. Along with this came the usual cost over-runs.

CIDA repeatedly warned Transelec not to exceed the agreed to contract amount. Nonetheless, Transelec continued its work and spent an additional \$1.3 million to complete the power line. The company knew that the Mali utility company did not have the funds to pay this cost overrun, so it approached CIDA.

At first, CIDA refused to cough up any additional cash, stating that a contract is a contract. Of course, a contract is only as good as the Liberal membership card it's written on, so Transelec hired a lobbyist to get the money out of CIDA. The man they hired was Michel Beliveau — a Transelec employee and former president of the Quebec wing of the Liberal Party. He, of course, is also a close friend of the Prime Minister. How close you ask?

Well, Beliveau has since moved on to work as the Prime Minister's special representative in his riding.

Beliveau's lobbying paid off. After months of obstinately refusing to pay the money, in a letter dated September 2002, CIDA says it will pay the bill — taking the money from other funds designated for Mali.

With files from the *National Post*



On the Road Again: \$16.50 per day for all meals?

by Bruce Winchester

Far too often, we learn that there is one set of rules for the governed and another for those who govern.

A group of truckers have taken the extraordinary step of seeking fair treatment through a class action lawsuit (www.summerlandlawoffice.com/classaction.html). What's their beef? It's all about meal deductions and allowances.

Under existing rules, Canada Customs and Revenue Agency allows a maximum write-off of \$16.50 per day in meals, for people like truckers, bus drivers and salesmen who must travel to earn their living. This \$16.50 per day is deducted from taxable income, not from the taxes one pays. By contrast, Ottawa gives bureaucrats and politicians up to \$70 per day to spend on meals.

There are several key differences between the two: One is a meals tax deduction while the other is a per diem allowance. The per diem is an allowance provided by one's employer when one travels on business. Business and government are free to set their per diem however they see fit. In many cases, per diems are written off as part of the cost of doing business – of course, government does not pay taxes (or post a profit for that matter) so there is no write-off. Hence, generous per diems

add to the cost of government. Individuals who are not given a per diem, are left with a measly \$16.50 per day to claim against their income at tax time. Some truckers don't think this is fair and are fighting it.

This class action lawsuit will hinge on a couple of previous cases that granted larger meal allowances based on special circumstance. The most famous of these cases involved a bicycle courier who was allowed to claim the cost of a large portion of his food intake on the grounds that he required this as "fuel" for his bike.

It may be an uphill battle to win this case given that they are disputing government policy. Nonetheless, in fighting this double standard of higher meal allowances for bureaucrats versus lower meal deductions for small businesses, this group of truckers is raising the profile of an important issue. In the end, their actions will hopefully help all taxpayers

who make their living on the road by bringing meaningful pressure for change.■

“Ottawa allows a maximum write-off of \$16.50 per day in meals, for people like truckers, who must travel to earn their living..... By contrast, Ottawa gives bureaucrats and politicians up to \$70 per day to spend on meals.”





Residential school law suits

An expensive new twist on an old case

In 1998 the federal government delivered a statement of reconciliation and apology to those people who experienced sexual and/or physical abuse while attending residential schools. This apology paved the way for an industry funded by taxpayers and fuelled by guilt.

The federal government began to develop and administer residential schools in 1874 to meet legal obligations under the Indian Act. Given that

Indian populations used to be small and scattered, residential schools were the most practical way to educate Indian children. As well, education bureaucrats wanted to emulate the best schools of the era in both Canada and Britain, and they were live-in institutions.

Listening to media reports one would think that every Native Canadian attended residential school. In fact, less than one in six natives attended residential school. Although less reported, it is not uncommon to hear positive stories from former students; more often however, their stories are overshadowed by claims of abuse.

“Listening to media reports one would think that every Native Canadian attended residential school. In fact, less than one in six natives attended residential schools.”

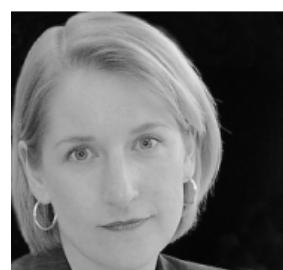
To date, \$47 million has been spent to settle 630 claims of physical and sexual abuse; and millions more are slated to be spent to settle more than 5,000 abuse claims filed against the federal government. Some claimants raised allegations before the Royal Commission on Aboriginal Peoples. These claimants were not cross-examined, there was no corroboration of testimony and the accused (the government, a church and/or individuals) were not able to supply a defence, yet compensation was paid.

The same year the apology was given, the federal government established the \$350 million Aboriginal Healing Foundation (AHF) to fund projects which address the “legacy” of abuse suffered by Aboriginal people in Canada’s Indian residential school system.

Not surprising, some native groups claimed it wasn’t enough and used the government’s acknowledgement of responsibility to launch a myriad of lawsuits.

One example is a \$12 billion dollar class-action lawsuit against the federal government, seeking compensation for a range of alleged physical, sexual and psychological abuses in Indian schools.

In an attempt to minimize the



by Tanis Fiss
Aboriginal Policy Centre
Director

influence of lawsuits, the federal government unveiled a \$1.7 billion Indian Resolution Framework in December 2002. The framework permits the settlement of legitimate claims outside of the courts, saving taxpayers money. However, the new framework isn't cheap. Operational costs to implement the \$1.7 billion resolution process are estimated to cost \$735 million.

To date, the federal government does not recognize claims

arising from alleged cultural genocide. This is because it is generally held that government policy a century ago was well-intentioned by the standards of the day. However, that does not stop Ottawa from spending millions of tax dollars each year on Aboriginal language and cultural programs.

Currently, the Department of Indian Affairs and the Department of Canadian Heritage spend \$30 million per year on Aboriginal lan-

guage and cultural programs. Last December the federal government announced an additional \$172.5 million over 10 years for Aboriginal languages and cultures.

Once again many native groups wanted more. For example, on March 27, 2003 the Ontario Court of Appeal in the Bonaparte decision ruled in favour of 56 primary plaintiffs who attended two Roman Catholic residential schools in Spanish, Ontario, and 189 children of the

Presentation strikes a nerve

On February 27th Tanis Fiss of the CTF's Centre for Aboriginal Policy Change made a presentation to the House of Commons Standing Committee on Aboriginal Affairs. At issue was the Committee's review of the proposed *Governance Act*, which would inject a modest degree of accountability into reserve funding and election procedures.

Tanis argued that while the legislation was a small step in the right direction it fails to address the crumbling foundation on which it is built: the *Indian Act*.

One of the points in creating the Centre for Aboriginal Policy Change was to make representations at precisely these kinds of hearings, so that legislators could hear alternatives to the all so familiar status quo.

And while most MPs listened respectfully and asked sincere and earnest questions one MP, New Democrat Pat Martin of Winnipeg, attempted to shout Tanis down referring to her views on equality as "European, Eurocentric and right-wing". Twice the meeting chairman was forced to turn off his microphone because of his rude and ignorant outbursts.

But here's the sweet irony.

After Tanis spoke the Committee allowed time for presentations off the floor. A number of ordinary, everyday Indians living and working on reserves spoke: not their chiefs, not their so-called interest groups.

Here are some highlights of what one native gentleman, Mr. Walter Pelletier, had to say just after Tanis spoke.

"Good morning. My name is Walter Pelletier, and I am a residential school survivor. I'm from the Cowessess First Nation [in Saskatchewan] ...

“One of the points in creating the Centre for Aboriginal Policy Change was to make representations ... so that legislators could hear alternatives to the all so familiar status quo.”



I'm not sure if a lot of you people here understand that we've lived under rules for everything. We're one of the most ruled peoples in the world, I think. We have to live under federal, provincial,

primary plaintiffs. On appeal, the plaintiffs' lawyers successfully argued that the children of residential school students suffered their own type of harm - to the transmission of their culture and heritage. Essentially, the ruling allows the children and possibly the grandchildren of residential school students to sue over a policy they believe destroyed their language, culture and way of life.

Regrettably, the federal government chose not to appeal the Bon-

aparte decision, which expands the law from traditionally actionable claims of neglect and abuse to broader political and cultural claims — claims against history itself. In other words, if government could be sued for bad public policy everything would grind to a halt, because virtually any policy has the potential to do harm or look harmful in retrospect.

The loss of language and loss of culture are the unfortunate effects of the schools, and of a

whole range of policies and historical realities around the European settlement of North America. The consequences have to be dealt with, but with public policy, not in the courts. If crimes were committed in the schools - and some were - the victims of the crimes have the same right as any other citizen to seek redress through the courts. Compensation paid for legitimate claims must be subjected to the high standards of proof required by the courts - not out of guilt. ■

Presentation strikes a nerve continued

municipal, and band governments, boards, and everything else. Whenever we try to do something, even own a house on our own land, it's forbidden. You can't do it. Now, who around here can't own their own house on their own land?

If we want to start a business, we can't start a business because the mechanisms aren't there for us to be able to do it. To listen to you, where you're putting more rules on us, well ...

Try to put some rules in place that are going to allow us to be able to go out there and make a decent living for ourselves, not where we have to depend on Indian Affairs to give us a house or where we have to depend on the government to give us money. Let us make our own money. Let us determine our own way to live. We can do it. Just let us do it.

From what I hear here, you're just making more

rules to keep us down ... and not let us be economically sufficient and able to look after ourselves on our own land. Even when I say 'our own land', what does that mean? As far as I'm concerned, the federal government owns the land we're supposed to own. We don't even own that."

Could a more common sense message have possibly been delivered to the Committee? This is exactly the kind of message the CTF's Centre for Aboriginal Policy Change has been espousing for the past



“And while most MPs listened respectfully and asked sincere and earnest questions one MP, New Democrat Pat Martin of Winnipeg, attempted to shout Tanis down ... Twice the meeting chairman was forced to turn off his microphone”

year and will continue to do so, spoken eloquently by a man who understands the problems better than any of us.

Oh, by the way, MP Pat Martin didn't shout Mr. Pelletier down despite his apparent "European, Eurocentric and right-wing" message. Go figure! ■

Focusing on the next tax cut battle for taxpayers

Increasing the Basic Personal Exemption



In February 2000, your CTF's three-year campaign to end bracket creep — the non-indexation of tax brackets — was completed with the restoration of full-indexation announced in the federal budget.

Several studies, dozens of speeches and political testimony, hundreds of interviews, thousands of emails and tens of thousands of petitions — signed by CTF supporters like you — led to this amazing public policy victory.

It meant, and still does, that Canadians saved some \$21 billion on their federal income taxes that they otherwise would have paid between 2000 and 2004. This campaign represented the ideal combination of good fis-

cal policy and great social policy. Ending bracket creep benefited all Canadian taxpayers but there was no doubt it was particularly helpful for lower and middle-income earners as well as those on fixed incomes.

Now the next bracket creep-like opportunity is upon us ... it's time to dramatically raise both the basic personal exemption (presently at \$7,756) and spousal exemption (presently at \$6,586) to \$15,000 by 2008. Why \$15,000 you may ask? Simply put, \$15,000 is roughly the average amount earned (before taxes) by a minimum wage employee. Why do we tax people who are just entering the workforce, considered working poor, or just looking to earn a few extra bucks to make ends meet?



by Walter Robinson
Federal Director

Over the years, CTF directors, fanned out across the country, are asked a familiar question at speaking engagements and public events. It goes something like this:

"Why do we tax almost half the earnings (at a rate of 16%) of low-income earners and in the process create jobs for tax bureaucrats to recycle this same money back to them in the form of entitlement cheques like Child Tax Benefit and GST refunds? Why not simply raise the BPE and leave more — if not all — of this money on their paycheques in the first place so low-wage earners can have the dignity of better providing for themselves and their families?

And almost in unison, all heads in attendance nod in agreement at what seems a common sense, no-brainer question. So the time has come to mount a full throttle public campaign toward our goal of getting the BPE (and spousal exemption) to \$15,000

by 2008, if not earlier. Indeed, this issue was raised in our 2003 pre-budget submission before the House of Commons Finance Committee during its pre-budget hearings last November and a national petition campaign — available at www.taxpayer.com — is also underway.

In the coming months leading up to the 2004 budget, likely to be delivered by a new Finance Minister chosen by a new Paul Martin er, um, Prime Minister, your CTF will do the following:

- Speak to the BPE issue in countless media and public engagements;
- Author national and regional newspaper opinion pieces to give the campaign momentum;

- Seek out the position of Liberal leadership candidates on this issue;
- Push opposition leaders and finance critics to echo the CTF position;
- Build a national coalition of groups — from all points on the political spectrum — to support our position; and
- Make raising the BPE our number one national priority.

Over 83% of Canadian taxfilers (all 22 million of us) make \$50,000 or less. 97% of Canadians make less than \$100,000. It bears repeating that raising the BPE is a tax cut for *all* Canadians.

CTF calculations peg the maximum cost of raising the BPE to \$8,000 at \$602 million and if the spousal exemption (currently at \$6,586) is also hiked to \$8,000, the total impact would equate to \$1.3 billion. A move to hike the BPE to \$10,000 would cost \$5.5 billion and combined with an equivalent increase in the spousal exemption would result in a \$7.2 billion impact - removing almost 588,000 Canadians from the tax rolls.

Getting to the target BPE amount of \$15,000 would represent a \$17.8 billion maximum impact on the public treasury or a \$22 billion hit (read: tax cut) if the spousal exemption is increased to \$15,000 as well. This would remove over 2.1 million Canadians from the tax rolls. Spread over five years, it would be relatively easy to allocate \$4.4 billion annually to bump the BPE to \$15,000.

From a fiscal perspective this is affordable. From a social perspective, providing tax relief for all Canadians but most specifically lower-income Canadians is very compelling.

The Bush tax cut proposals from January 2003 ensure that a family of four earning \$40,000 or less will pay no federal income tax. Today, a similar Canadian family starts to pay taxes at \$27,000. Raising our basic personal and spousal exemption is really not a question of choice, it's an absolute necessity.■

It's time to dramatically raise both the basic personal exemption (presently at \$7,756) and spousal exemption (presently at \$6,586) to \$15,000 by 2008. Why \$15,000 you may ask? Simply stated, \$15,000 is roughly the average amount earned (before taxes) by a minimum wage employee. Why do we tax these people who are just entering the workforce, considered working poor, or just looking to earn a few extra bucks to make ends meet? ■

THE YEAR OF PROVINCIAL ELECTIONS

by Bruce Winchester

Get out your lie detector kit and get ready for the proverbial chicken-in-every-pot promise from vote-hungry politicians. This year, taxpayers in as many as seven provinces may get the opportunity to vote in provincial elections.

Over the next few months,

Ontario – Revolution losing steam

Since taking the helm of the Ontario Progressive Conservative Party last year, Premier Ernie Eves has lurched from one gaffe to the next. If Eves doesn't touch solid ground soon, Ontarians may have to wait a while before going to the polls.

Although Eves was finance minister during the days of Ontario's tax cutting Common Sense Revolution, his tenure as premier has been far less taxpayer friendly. Although the Ontario budget restored previously suspended tax cuts, the budget was overshadowed by a bone-headed decision to bypass the legislature and deliver the budget from an auto parts factory.

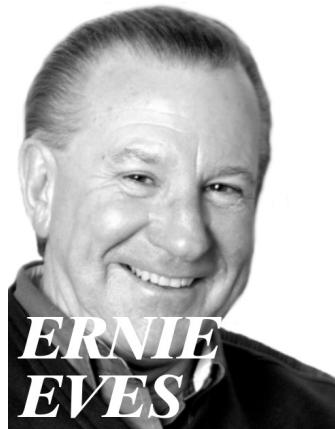
Taxpayers will likely get a clearer message from Liberal leader Dalton McGuinty. So far, he does not support further tax cuts, will spend more money on healthcare and education and generally promises to be "nicer" than the Progressive Conservatives have been.

Invited to a pre-throne speech (this was delivered in the legislature) consultation, your CTF has set out

to be on the lookout for spending announcements, promises of tax cuts, out-stretched hands or puckered lips looking to get your vote. And we are not talking about Liberal leadership hopefuls – although they've already made a guest appearance or two on the provincial scene. (Note to Sheila Copps and Paul Martin: No need to attack New Brunswick Premier

Bernard Lord as he is not running for the leadership of the federal Liberal party.)

It is hard to take all of this too seriously. But like it or not, elections are that rare opportunity when voters actually have the attention of their politicians. It is critical taxpayers make their voices heard.



**ERNE
EVES**

the taxpayer's priorities for the upcoming election. Top priority is a four-year tax relief schedule by raising the Basic Personal Exemption to \$15,000. The next priority is to reduce the high marginal tax rates by eliminating the 20% surtax and establishing a schedule to phase out the second 36% rate. These surtaxes allow Ontario to claim it has three low tax brackets (6.05%, 9.15% & 11.16%) but in truth they distort the tax picture by making it difficult for taxpayers to know the real tax bite. With these surtaxes, Ontario's true top rate is 17.41%.

Throughout the election campaign your CTF will keep track of the promises and will push all party leaders to make specific commitments on tax cuts. The CTF will also pressure each provincial party leader during the election to commit to a comprehensive review of property tax assessments with the intent of replacing Current Value Assessment with a system based on usage and tax fairness. Needless to say, any commitments to raise taxes will also be tracked – under the province's balanced budget legislation only a referendum or an election promise can cause taxes to increase.

Manitoba – Tilling the mushy middle

Confident of victory, Premier Gary Doer stayed inside the bubble by promising very little that was new. Doer successfully earned a second mandate by tilling the mushy middle of Manitoba politics and appearing to offer modest tax relief.

THE TAXPAYER

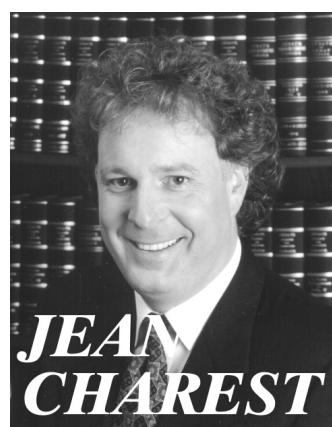
Although Doer offered a middle income tax cut of 6% to take effect in January of 2004, - the real tax cut is closer to 1% after a 4.9% tax increase resulting from bracket creep is taken into account. In fact, bracket creep lives on in Manitoba – an anachronism in keeping with the Maritimes. With balanced books and plans to reduce the Education Support Levy, little else has been offered up to taxpayers. As for the political opposition in Manitoba, the Progressive Conservatives have been missing in action since the other Gary, former premier Gary Filmon, left Manitoba politics.

Throughout the 33 day campaign, your CTF kept track of how many of our tax dollars each of the political parties were willing to spend to win the election. The CTF's Spend-o-Meter gave Manitobans a glimpse into the cost of each party's platform. Your CTF also attended leader's debates, forums and questioned all three political parties on many of their election promises. With yet another majority government for Gary Doer and Today's NDP, taxpayers in Manitoba can expect a whole host of new spending. Be assured your CTF will be holding their feet to the fire.

Quebec – Gone but not forgotten

On April 14, 2003 Jean Charest and the Liberal Party of Quebec won a convincing majority of seats in the National Assembly – 76 seats, (61% of the seats won with only 46% of the popular vote). Taxpayers in Quebec were promised \$5 billion in tax cuts over five years – but it will be a year before they see more money in their pockets. Charest's aim is to match the Canadian average in personal income tax rates – this would be long overdue tax relief for Quebecers who pay some of the highest income taxes in Canada.

Also of note is the Liberal party's working paper on electoral reform – last time out Charest's Liberals won 44% of the popular vote, more than the Parti Québécois got, but picked up fewer seats than the



PQ. Might there be a move to a new voting system before the next Quebec election? Finally, Charest is not expected to be any friend to Ottawa – look for Premiers Charest and Klein to work together toward decentralizing the federation.

Jean Charest's Plan for Tax Cuts

According to Quebec Liberal Party's March 2003 policy document, *Raising Quebecer's Standard of Living*: "Excessive taxation is detrimental to job creation and investment. ... We will slash Quebecer's taxes." Here is how the \$5 billion, five year income tax cuts will break down.

Family size	Current Quebec income tax bill	Quebec income tax bill in 2009	Tax Savings
Family with an income of \$40,000			
1 child	\$1,800	\$0	\$1,800
2 children	\$1,310	\$0	\$1,310
Family with an income of \$60,000			
1 child	\$6,361	\$3,966	\$2,395
2 children	\$5,868	\$2,473	\$3,395
Family with an income of \$90,000			
1 child	\$14,282	\$11,447	\$2,835
2 children	\$13,799	\$9,964	\$3,835
Family with two incomes, one of \$38,000 and the other of \$26,000			
1 child	\$5,866	\$3,185	\$2,681
2 children	\$5,373	\$1,693	\$3,680

These tax cuts will be the result of \$1.2 billion in increases to the Quebec child tax credits, \$3 billion in tax rate reductions and \$500 million in tax credits for wage earners.

Romanow went to the electorate looking for a third mandate and was handed a defeat. He was forced into a coalition with the Liberal Party. Since then, Romanow has resigned and Premier Lorne Calvert will be looking for his own mandate sometime this year. If having ruled out a spring election, the NDP will be hoping for a rosy economic picture before a fall election.

Some might have approved of the Romanow government's ability to balance the books, but since the 1999 election, the provincial debt has started to climb. The long term solution for Saskatchewan is for government to be more focused, sell-off crown corporations, cut taxes and eliminate unnecessary expenditures.

The opposition Saskatchewan Party has long been an advocate of tax cuts. The Sask. Party promises to raise the Basic Personal Exemption, reduce school property taxes, and even reduce business taxes. That would be welcome news for Saskatchewan's tax-payers – but its legitimacy rests on a clear plan to cut wasteful spending and reduce intervention in the economy.

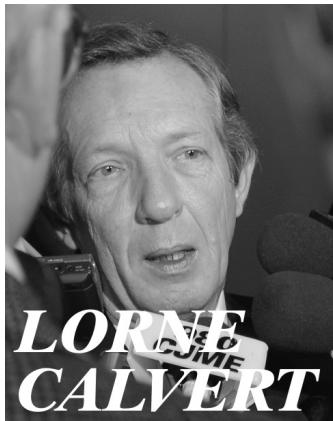
Your CTF plans to make property tax reform the number one campaign issue, specifically asking for a reduction in the school tax burden on all properties. Secondary priorities will include raising the basic personal exemption and selling off crown corporations. Be assured the CTF will keep taxpayer issues on the front burner of the election campaign.

Nova Scotia – Dwindling tax cut promises

With a 10% income tax cut for next year promised in this year's budget, it smells like an election in Nova Scotia. Evenly matched in the legislature and in the polls, both the governing Progressive Conservatives and opposition Liberals are talking tax cuts.

The Liberals have consistently criticized the government for not re-indexing provincial income tax thresholds for inflation. Worse still, the brackets are stuck at the old 1999 federal levels – so re-indexing would only be the first step in fixing the tax hikes resulting from bracket creep.

The governing Progressive Conservatives have promised to deliver on their previous election promise, the 10% tax rate cut, but it won't happen until next year *after* the election. The implicit message: re-elect the government and get your tax rate cut; too bad it won't offset the impact of bracket creep.



In the lead-up to an election, Nova Scotians will have to challenge their politicians to go further and offer real tax reductions. Voters will have to ask sharp questions to make sure all politicians are clear and honest in their tax cuts promises.

New Brunswick – Lord reigns

With a convincing victory in 1999 and having won every by-election since then, it will take more than drive-by attacks by federal Liberal leadership hopefuls Martin and Copps to knock Premier Bernard Lord off of New Brunswick's throne.

Lord and his governing Progressive Conservatives have paid a lot of lip service to the idea of reforming government. New Brunswick has the highest income tax thresholds (read: best) and the lowest tax rates in Atlantic Canada; and is the only province east of Quebec to index its tax system to inflation. Cynically passing the country's weakest taxpayer protection legislation on the eve of an election may be the best taxpayers in New Brunswick will get.

Almost assured of a victory, Lord and company will likely be short on promises and long on their record. Taxpayers will have to get in front of their politicians and demand more substantial tax cuts be put on the agenda. Raising the basic personal exemption and further tax rate reductions would be a good place for New Brunswick to start developing a real tax advantage in Atlantic Canada.



Newfoundland and Labrador – On the verge of change?

Sometime this year, voters on the rock will go to the polls. Last time round Premier Brian Tobin got a quick second mandate in February 1999 and then he quit eighteen months later in the fall of 2000 despite promising to stay in St. John's for the full term. Since the 1999 election, the Liberals have lost five

out of six by-elections, including Mr. Tobin's former safe seat.

Even if the government changes, taxpayers in Newfoundland and Labrador will be given thin gruel. Three-year tax cuts announced in 1999 were stopped after just one year. Right behind Quebec, Newfoundland has the second highest income tax, gasoline tax and sales tax rates in the country.

Unfortunately neither the governing Liberals nor the wishful government in waiting Progressive Conservatives are talking tax relief. If taxpayers want relief, they will have to get out front and demand tax-cuts be put on the agenda. Newfoundland's taxpayers risk falling further behind, as other provinces pursue and continue to move ahead with further tax cuts.■

Highway from Hell Contest

It's Baaaack! To highlight the deteriorating condition of Canada's roads, this year's annual Gas Tax Honesty Day resurrected the *Highway from Hell Contest*. This is your opportunity to identify the country's worst stretch of highway!

Each year your CTF exposes the truth about government tax gouging at the pumps. Nearly half the price of fuel is tax, yet only 3% of what the federal government collects is plowed back into our roadways. It's highway robbery! Look for a full feature in your next issue of *The Taxpayer* magazine highlighting this year's event



held on May 15th. In the meantime, you're invited to send your nomination to the CTF's *Highway from Hell Contest*. A panel of 'non-experts' will compile a shortlist of Canada's worst stretches of highway and select a federal and provincial winner this fall.

The nominee who wins the distinction of identifying the worst stretch of road will receive a free wheel alignment. Nominate the worst stretch of highway you've ever tangled with by completing and returning the form below.

I would like to nominate the following highway for the Highway from Hell Contest

Highway #: _____

Your name: _____

Fed or prov highway: _____

Address: _____

Province of Highway: _____

Municipality: _____

Nearest Town/city: _____

Town/City: _____

Description (highway markers/landmark):

Prov: _____ PC: _____

Telephone: _____

E-mail: _____



Send your nomination to:

Highway from Hell -- Canadian Taxpayers Federation
#512 - 130 Albert St, Ottawa, ON K1P 5G4
Fax: (613) 2345-7748
E-mail: brucewin@on.aibn.com

Teddies

2003

At the end of March your CTF handed out its fifth annual Teddy awards, honouring the best of the worst in public spending, high taxes and unaccountable government.

The Teddies are named after Ted Weatherill, a senior federal civil servant, terminated in 1998 for “expenses incurred by him...incompatible with his position as Chairman of the Canada Labour Relations Board,” according to the Office of the Minister of Labour.

Those expenses included:

- A \$733.43 lunch in Paris for two at the RPG Arpege;
- A dinner at the Royal Windsor Hotel in Brussels for \$531.50;
- Average dinner expenses in North America \$91. (The average public servant allowance was between \$19.75 and \$25.00);
- Average accommodation expenses in North America of \$59 to \$375. (Other civil servants spent between \$52 and \$168 at the same hotels); and
- \$70,700 spent on taxpayer-reimbursed meals in North America between 1989 and 1997 as opposed to the estimated \$19,400 that would have been spent had Treasury Board guidelines been properly followed.

**• Patrons
can't be
expected to
'stick their
bums over the
railing.'**

Winnipeg Mayor Glen Murray defending his city's \$1 million biffy.

To tie in with the hype surrounding the Oscars and other spring-time award shows, CTF Teddies are handed out at a black tie news conference in Ottawa. Given the shame and embarrassment that accompany a Teddy, no award winner has yet shown up to claim their prize ... allowing us to recycle the beautifully adorned golden sows each year.

While it would be nice to say that CTF staff had to beat the bushes for nominations for this year's awards, sadly this was not the case. A mountain-high pile of examples of waste and mismanagement had to be whittled down to get to this year's cast ... and here they are:

2003 Federal Nominees

♦ Best Adaptation of a Keystone Cops

Routine: Established in 1995, the Canadian Firearms Centre, better known as the federal gun registry was originally pegged to cost \$119 million with \$117 million recouped through fees, for a net cost to taxpayers of \$2 million. The December

2002 Auditor General's report projected the registry to cost \$1 billion by 2004-2005 with \$140 million collected in fees — a whopping cost overrun of 430 times the original estimate. This was the second consecutive Teddy nomination for the gun registry.

♦ Biggest Flush Performed by a Crown Corporation:

The National Capital Commission (NCC), Canada's most secretive Crown Corporation, spent \$250,000 for an outdoor public toilet in Rockcliffe; a ritzy, old-money Ottawa enclave that is home to senior public service mandarins and foreign diplomats. The stone structure (worth \$187,000) and surrounding landscape



improvements (valued at \$63,000) is only open on weekends in the winter.

Heritage Minister Sheila Copps, who is ultimately responsible for the agency, refuses to be accountable for the NCC's decision. Needless to say, the whole thing stinks.

♦ **Fuzziest Excuse for an Advance**

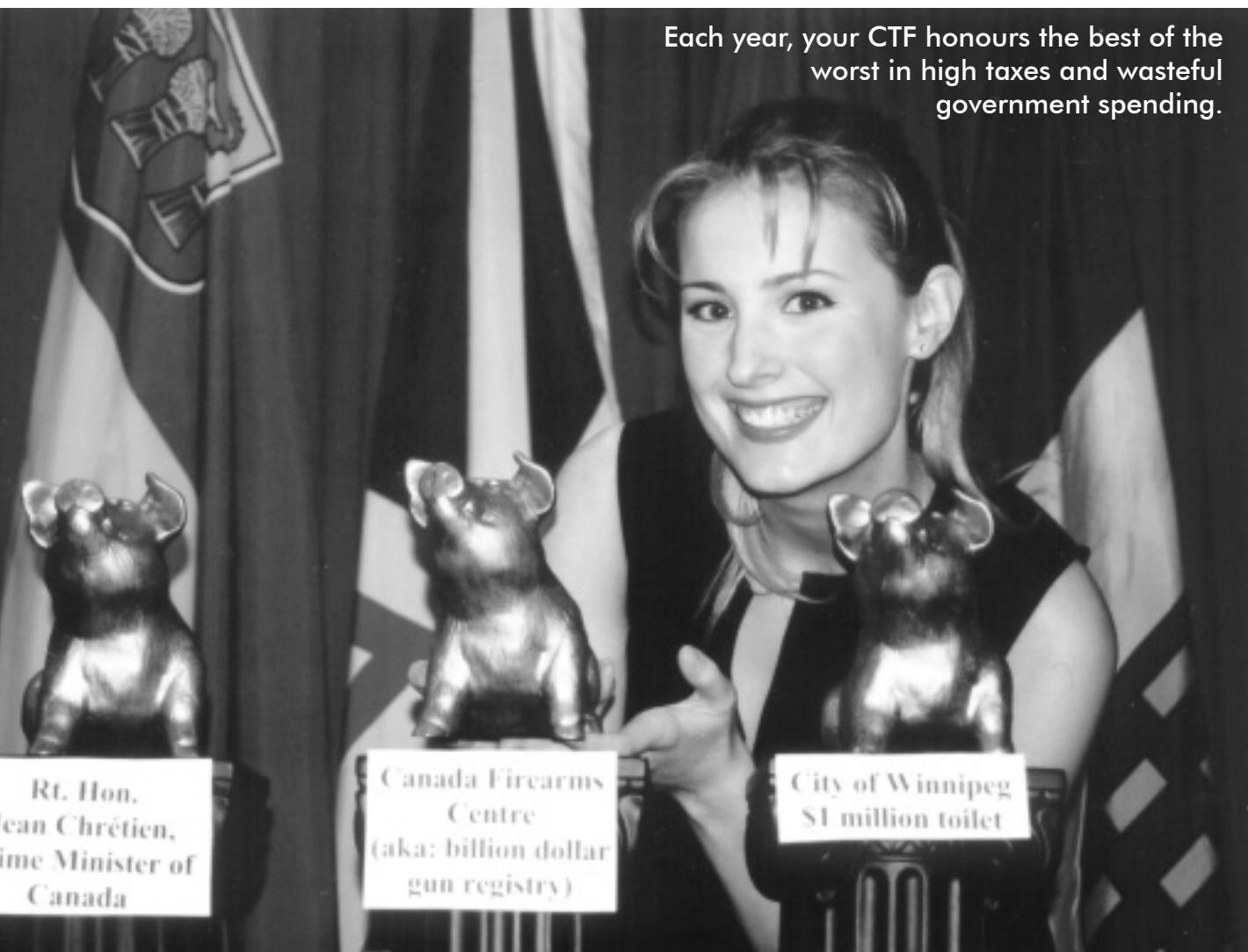
Screening Party: Industry Canada — also known as corporate welfare central or Subsidy Canada — had its bureaucrats beaver away for

which titles worked best for Canadians. In the end, none of the titles were chosen ... and it was the same story in French as well.

♦ **Most Expensive Use of Dead Royalty as Extras in an Independent Production:**

The Social Sciences and Humanities Research Council (SSHRC) granted \$1.6 million to Marie-France Wagner, a French Studies professor at Concordia University in Montreal to study "the evolution of royal processions in French towns be-

Each year, your CTF honours the best of the worst in high taxes and wasteful government spending.



weeks to come up with 13 possible titles plus supporting "tag lines" for its Innovation Paper. It then commissioned Ipsos-Reid Canada to conduct focus groups at a cost of \$37,000 to determine

tween 1484 and 1615." This is the same agency, that a few years ago, funded a study of the history of exotic dancing in British Columbia's Lower Mainland.

♦ **Worst Imitation of
a Cheech and Chong
Film:**

Health Canada awarded Saskatoon-based Prairie Plant Systems a \$5.7 million contract to grow marijuana for "medicinal use." The company set up its hydroponic equipment in an abandoned mine in Flin-Flon Manitoba. When Prairie Systems harvested its first batch of weed — some 2000 plants in total — the quality was so poor and the potency of the plants was so inconsistent that the department ordered the company to grow a better batch. Will the sequel be *Fast Times at Flin Flon High?*

♦ **Runaway Budget for Set Design:**

Indian and Northern Affairs Canada spent approximately \$44 million to build a brand new reserve in Northern Manitoba for 278 Marcel Colomb band members. The new reserve is being built 30 km away from the Town of Lynn Lake — which is 80% vacant due to defunct mining operations — and where the Marcel Colomb band members currently live.

And the winner is...

Imagine a drum roll in your head, the federal gun registry. To add insult to injury, CTF research has revealed that the gun registry will actually cost \$2 billion by 2012.

♦ **Worst Imitation of
a Cheech and Chong
Film:**

**2003 Provincial
& Municipal
Nominees**



♦ **Best Remake of a WWII Film Featur-
ing Drunken Sailors on Leave:**

Members of the Ontario legislature who were caught in an expense account fiasco (35 bankers boxes of claims) that revealed (among other things) charges for: 2 tickets to Vegas for a boxing match (\$1,000); a handwritten dinner receipt (\$1,700); cancelling an aide's Cuban holiday (\$2,103); beer purchased under the heading of "caucus supplies" (\$190); steak dinners charged all over Toronto, bizarre Tropicana orange juice addictions and numerous un-receipted expenses.

♦ **Worst Use of Land Titles "On Loca-
tion":**

The Saskatchewan NDP government initiated an \$18 million renovation project to modernize Saskatchewan's land titles system. The plan was to turn the land registry system into a crown corporation, commercialize it with public

**\$1-M biffy
wins mayor
a 'Teddy'**

Taxpayers' fe-
dubio" Canadian Taxpayers Federation federal director Walter Robinson poses
uring a press conference in Ottawa yesterday.

**Chrétien reçoit un
prix Teddy pour
irresponsabilité fiscale**

Le premier ministre
Jean Chrétien et le
registre fédéral des
armes à feu ont rem-
porté hier les prix Teddy
émis par la Fédération
des contribuables cana-
diens pour leur responsa-
bilité fiscale.

This little piggy ...

**Goes to 'Peg for its
million-dollar biffy**

ROSS ROMANIUK
City Hall Reporter
romaniuk@wpgr.ca

**This
year's Teddies were
headline news across Canada.**

seed money, and then sell the “automated, web-based system” around the world. While land registry bureaucrats were jet-setting to places like Albania, Hong Kong and Australia to sell the system, it was crumbling under the weight of its own deficiencies including scores of complaints from local users. Fees were raised, travel halted and today the system has cost taxpayers \$107 million ... with not a single buyer in sight.

♦ Biggest Flush Performed by a City

Government: Winnipeg Mayor Glen Murray's pet project of a \$1 million toilet — mostly for plumbing and wastewater improvements — on the Provencher footbridge as



part of an ambitious \$5 million urban facelift to build 3,000 square feet of commercial space including a restaurant.

♦ Worst Rendition of “Give Peace a

Chance” by Elected Officials: The City of Vancouver voted to allocate \$25,000 over three years for a “peace and justice” committee. The social engineering socialists may have been routed from Victoria but it seems they have taken refuge at city hall. This follows a trend among city councils around Canada to pass anti-war resolutions and other peace related motions. Somehow the folks in charge of potholes, buses and garbage pickup missed the part of their orientation session that pointed out foreign policy issues are a federal responsibility.

♦ Worst Film ... The Hunt for Blue, French

October: Two consultants

charged the City of Quebec \$30,000 for design options to change the city's logo: A stylized depiction of Champlain's ship along with the words “Ville de Québec.” The three options presented kept the ship, kept the colours, kept the words and merely tinkered with case of the word Quebec (from uppercase to lowercase) or changing the ship's direction. Needless to say, this film will not be appearing on English screens with subtitles.

♦ Worst Animated Feature: Spudco -

Mr. Potatohead Buys a Business:

In the late 1990's the Saskatchewan government decided the province needed a “value-added” potato industry to take advantage of the already government-subsidized irrigation network. In 2000, “Spudco” the province's potato Crown Corporation went bust, taking countless private businesses down with it. So far, taxpayers are on the hook for \$28 mil-

lion in losses and investors are now suing the province. It might be a long time before we know the actual cost. A Canadian Taxpayers Federation complaint to the RCMP has resulted in a criminal investigation being launched.

And the winner is....

Here comes that imaginary drum roll again, the City of Winnipeg and its million dollar toilet. Instead of giving this idea a good dose of Imodium and using the money instead to reduce property taxes, fix other city infrastructure or pay down the City's debt, the Mayor pushed forward as smoothly as Ex-Lax. Winnipeg taxpayers can only hope the restaurant will serve a lot of high-fibre meals so the City can maximize the return on its investment.■

2003 Lifetime Achievement Recipient



And finally no awards show would be complete without a lifetime achievement award.

In order to receive this award, a member of Canada's political class must demonstrate a commitment that goes above and beyond the ordinary ability to tax and spend. In addition to such skills, one must demonstrate ability to waste tax dollars beyond even the normal ability of run-of-the-mill governments engaged in penny ante squandering.

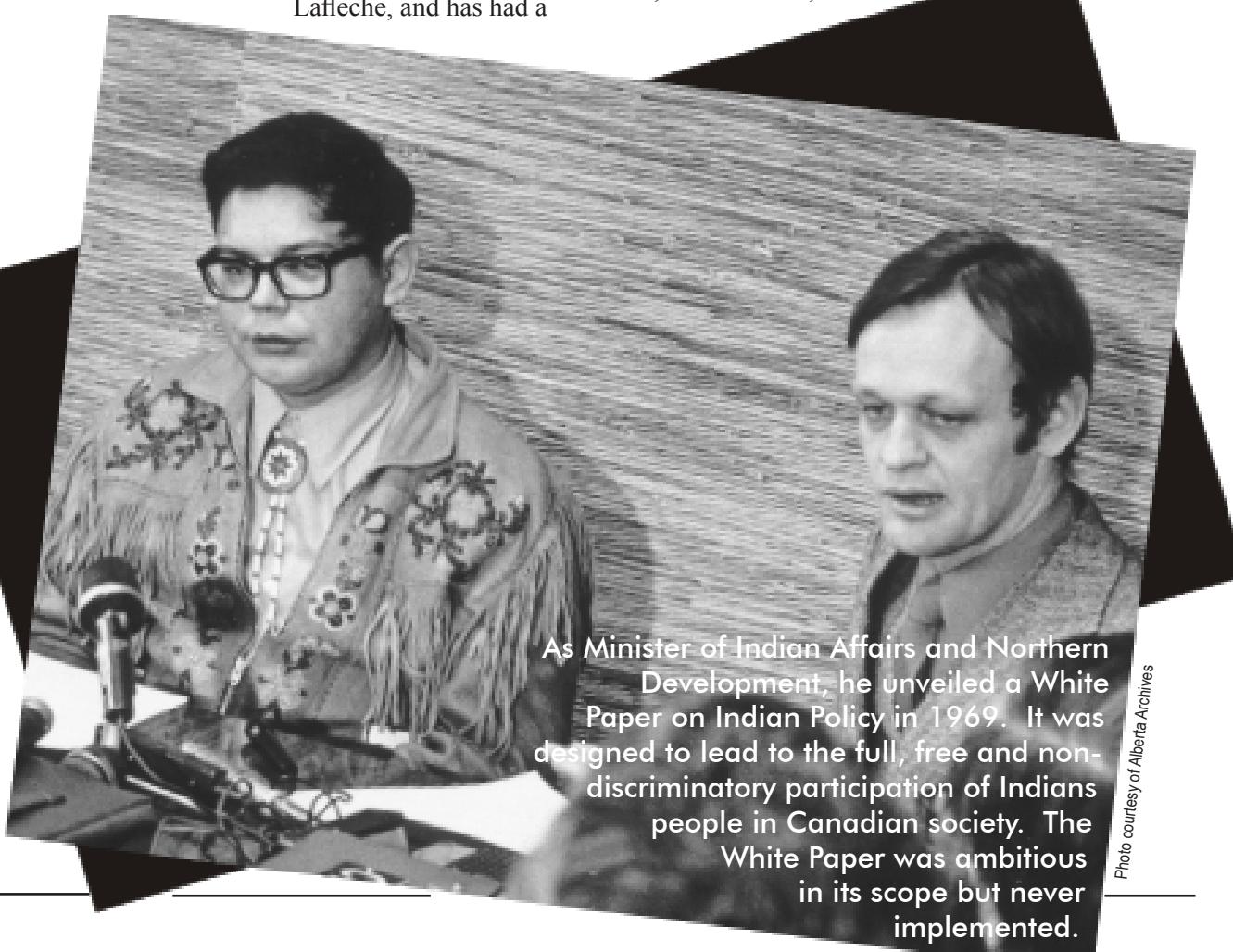
In recent memory, there has not been a more deserving lifetime achievement award winner than the Right Honourable Jean Joseph Jacques Chrétien — soon to be the former Prime Minister.

He was first elected forty years ago, on April 8th 1963 as Member of Parliament for Saint-Maurice - Lafleche, and has had a

long and expensive career in federal politics. He has served in Cabinet for 26 years and the last 10 years as Prime Minister.

Once referred to as having served in every ministry, his cabinet posts include the following: Minister of Finance, Minister of National Revenue, President of Treasury Board, Minister of Industry, Minister Energy, Minister of Indian Affairs, Minister of Justice and Minister of External Affairs. He is expected to retire with the largest Prime Ministerial pension, estimated to be worth \$171,000 per year, fully indexed for life.

♦ **When he was elected** in 1963 the federal government spent \$8.3 billion, it will rise to \$180.7 billion in his retirement year of 2004 ... a 2,000% increase;



As Minister of Indian Affairs and Northern Development, he unveiled a White Paper on Indian Policy in 1969. It was designed to lead to the full, free and non-discriminatory participation of Indians people in Canadian society. The White Paper was ambitious in its scope but never implemented.

a White Paper on Indian Policy in 1969. It was designed to lead to the full, free and non-discriminatory participation of Indians in Canadian society. The White Paper was ambitious in its scope but never implemented. By 2003 his legacy on Aboriginal peoples is \$7.5 billion in federal spending, race-based taxation, affirmative action hiring, reserve land held in trust by the Crown, continuation of the Indian Act and an aboriginal commercial fishery — quite the opposite of what his initiative set out to accomplish;

♦ **As Canada's finance minister**

between 1977 and 1979, he presided over an 18% increase in government spending (\$8.4 billion increase);

♦ **He cancelled** the \$5.4

billion helicopter contract in 1993 which cost taxpayers \$500 million in penalties and a decade later, the combined total cost to replace the Marine and Search and Rescue helicopters will probably top \$6 billion;

♦ **One broken promise to scrap the GST**

which was a central pre-election promise in 1993. Since then he claims he was misquoted -- he only wanted to replace the GST. But for taxpayers his 1993 promise was clear ... no more GST. A tax that will net over \$30 billion in revenues 2003-2004;

♦ **One billion dollars and counting**

for a gun registry that was to cost a mere \$2 million dollars, a whopping 430 times cost overrun;

♦ **The billion dollar boondoggle** at HRDC in 2000;

♦ **Under his watch** ethically challenged, ministers of Defence, Public Works and Solicitors Gen-

eral, were all forced to resign — there were six resignations in 2002 alone;

♦ **Who could forget** the Shawinigan shuffle - did he own the golf course, was it sold; did he engineer a \$600,000 loan to his friend? Who knows, but the questions remain unanswered — count this as a big-time double bogey;

♦ **Changes to election financing**

, introduced in 2003. Now half of recognized party financing will come from tax dollars. It could cost \$50 million or more per year;

♦ **Ramming the Kyoto Protocol**

through Parliament late in 2002 — both arrogant and expensive. The cost per household by 2010 could be as high as \$2,700;

♦ **Ignoring the advice**

of Defence Department brass and spending \$101.5 million on two unnecessary Challenger jets on March 31st the last day of fiscal year 2001/2002;

♦ **A farewell budget**

full of more spending, long-term commitments, and legacy initiatives that taxpayers will be paying for over the next decade;

♦ **Books balanced on the backs of taxpayers**

, from downloading costs to the provinces, hikes to CPP premiums, a \$42 billion EI surplus, and a 50% increase in taxation revenues; and

♦ **He has dwarfed** former Prime Minister Brian Mulroney's farewell tour — His Long Kiss Good-bye is lasting three times longer than Mulroney's and will cost taxpayers untold millions more.

The buck always stops with "da Boss." And so does the 2003 Lifetime Achievement Teddy award. On behalf of all of us at the CTF, congratulations Jean — and farewell! ■

“For a legacy spanning four decades and billions of wasted tax dollars, Prime Minister Jean Chretien is honoured with the 2003 Lifetime Achievement Teddy.”

Status of Women Grants

Status of Women Canada grants are doled out by Canadian Heritage — a federal department headed up by Liberal leadership aspirant Sheila Copps, who has never found a cultural industry that wasn't in need of government largesse. Last year Canadian Heritage handed out \$10 million of these grants (up 7.5% over the previous year). Status of Women grants are given to a plethora of groups under the guise of promoting gender equality and furthering women's participation in Canadian society. The following list provides a sampling of some of the recipients that received funding in the 2000-01 fiscal year. This list includes the name of recipient, the location, purpose and the dollar amount approved.

52% Coalition , Vancouver, BC — Raise awareness of the public policy and service issues of particular importance to women and women's equality among political parties, candidates, the media and the voting public during British Columbia's upcoming provincial election.....\$18,000	discourse on issues related to gender and sexual orientation.....\$20,000	ering of delegates from the Provinces and Territories where BPW affiliates are located Women representing diverse backgrounds will provide a forum for debate on issues of women's equality.....\$5,125
Aboriginal Women's Action Network , Vancouver, BC — Address the public policy implications of the impact of alternative measures and restorative justice on Aboriginal women, especially in situations of violence.....\$25,000	Advocates for Community Based Training and Education for Women , Toronto, ON — Mobilize diverse stakeholders, such as community-based women's organizations, community colleges, local labour market boards, child care and other supportive services in south-central Ontario to address women's access to training. ACTEW will lead a series of consultations using focus group methodology to identify priority training and employment service delivery issues.....\$50,000	Calgary Association of Women and The Law , Calgary, Alberta -- Host NAWL's 13th biennial conference, "Equality: the Challenge of the New Millennium."\$15,000
ad Hoc Committee of Women's Equality Seeking Organizations , St. John's, NFLD — Cover costs related to community activities on GBA and socio-economic development, a pan-provincial session and follow-up community capacity building during the months of September to December 2000\$50,000	Alberta/NWT Network of Immigrant Women , Calgary, AB — Identify personal, financial and institutional barriers that prevent foreign trained nurses from attaining accreditation and registration in Alberta. A barrier analysis will be obtained from a survey directed to 100 foreign trained nurses, currently not accredited, as well as to relevant stakeholders, including nursing associations, provincial and federal government departments, university and college nursing schools.....\$24,000	Calgary Immigrant Women's Association , Calgary, AB — "Lifting the Bar", the current fourteen month initiative is a follow up to a previous project "Exploring Barriers to Equitable Employment of Immigrant Women in Banking, Health, and the Oil Business". An advisory committee composed of human resource professionals from the Calgary Network for Diversity and Equity, as well as immigrant professional women, local diversity institutes, and board members from CIWA will assist with this change process. This project will be evaluated by the participating partners.....\$40,000
Ad Hoc Committee on Race and Gender Issues , Burnaby, BC — To assist the Canada-wide Ad Hoc Committee on Race and Gender issues which will: explore the current situation of gender and race issues in Canada by identifying key stakeholders; organize and carry out a national consultation with participation by scholars, researchers, representatives from women's organizations and racial partnerships for future work on race and gender issues in Canada; produce a report of the consultation, including papers presented, options identified, and recommendations for the next steps; and disseminate the report to participants, and to other relevant members of academia and community groups for feedback.....\$50,000	Association Feminine D'éducation Et D'action Sociale , Montreal, PQ\$12,300	Campbell River Area Women's Resources Society , Campbell River, BC -- Identifying Barriers to Women Accessing Adequate, Affordable, Housing This strategy will examine diverse women's housing needs in Campbell River in order to inform provincial decision-makers about how factors such as unemployment, low income and unchanging rental rates weaken women's ability to access adequate, affordable housing and thus put them at risk of homelessness.\$22,000
Ad Hoc Group Raising Awareness of Lesbian Lives , Vancouver, BC — Develop, document and critically analyse the role of lesbians in BC through a historical literature review and interviews with lesbians from such diverse backgrounds as human rights, science, labour and environmental movements. Research findings will be shared with young women, unions, gay and lesbian organizations, women's equality groups and the general public in order to inform public	Association Feminine D'éducation Et D'action Sociale , Montréal, PQ.....\$89,555	Canadian Council of Muslim Women , Mississauga, ON — Produce a Resource Kit that explores critical issues facing young Muslim women in Canada and identifies action strategies to respond.....\$34,680
	Bay St. George Status of Women Council , Stephenville, NFLD — Address concerns and challenges facing women's involvement and employment in socio and resource based economic development. In addition to a quantitative evaluation such as number of meetings, number of participants, number of requests for information, the initiative will be evaluated qualitatively through; committee responses to incorporating and including women on their agenda: communication plans targeted at women; women reporting that zone boards are becoming more accessible and issue specific to women are reflected on board agendas.....\$59,050	Canadian Council of Muslim Women , Mississauga, ON -- Produce a Resource Kit that explores critical issues facing young Muslim women in Canada and identifies action strategies to respond. It will enable CCMW to add 2 more focus groups to test/evaluate the Kit within the Muslim community and to prepare a more finished product for the World Conference Against Racism in South Africa in August 2001\$20,500
	Business and Professional Women's Clubs of Canada , Sault Ste Marie, ON -- The BPW Canada Convention is a biennial gath-	

Status of Women Grants

Group name	—	location	—	purpose of funding	—	\$ amount
Canadian Feminist Alliance for International Action , Ottawa, ON — Undertake the final phase of a three-year initiative following up the development of NGO analyses on international policies related to the Beijing +5 process and their potential impact on women in Canada. Organize a think-tank to examine the intersections of gender and race.		living in rural, northern areas.....		\$3,200		
Canadian Feminist Alliance for International Action , Ottawa, ON — Undertake the final phase of a three-year initiative following up the Beijing + 5 review process. They will focus on the development of NGO analyses on international policies related to the Beijing +5 process and their potential impact on women in Canada.		Canadian Women's March Committee , Toronto, ON -- Pan-Canadian Coordination, Mobilization, Education for World March of Women 2000 This initiative is to : (a) educate women across Canada and the general public on issues relating to women's poverty (e.g., paid and unpaid work, access to work, pension reform, training) and to violence against women (e.g., sexual harassment, battering, exploitation); (b) to ensure the inclusion in this process of the diversity of Canadian women, i.e. Aboriginal, immigrant, refugee, disabled, lesbian, and rural women, women of colour, young and older women; and (c) develop and present the demands of Canadian women in the document, "It's Time for a Change" to the Government of				
Canadian Human Rights Reporter Inc. , Vancouver, BC — Create a bilingual comprehensive online database of all Canadian human rights decisions, searchable by keywords.		Canada.		\$122,750		
Canadian Research Institute for The Advancement of Women , Ottawa, ON — Supplement: "Feminist Research and Action as a Means of Achieving Social Justice, Improving Women's Economic Status, and Eliminating Systemic Violence Against Women" CRIAW will use coordinated research, communications, and networking outreach strategies to advance women's substantive equality.		Ottawa, ON		\$10,000		
Canadian Research Institute for The Advancement of Women , Ottawa, ON -- Advance women's substantive equality. This initiative will ensure that appropriate tools and timely, accessible, evidence-based knowledge are provided for public education, that a gendered perspective is brought to the policy table, and that women and other stakeholders will have the information base necessary to advance women's equality issues, focusing on violence against women, social justice, and women's economic status.		Care Watch Toronto , Toronto, ON — Highlight the gendered assumptions of caregiving, and create awareness about the relationship between unpaid caregiving by women and women's economic equality issues. The purposes are to identify strategies to improve the economic security of women providing full-time long term care for ill or disabled family members and to empower these unpaid caregivers so that they can participate in the implementation of the strategies they develop.....		\$50,000		
Canadian Women Voters Congress , Vancouver, BC — Reconceptualize the design, curriculum and faculty make-up of the annual Women's Campaign School to better reflect the priority issues and realities of a diversity of women, and to incorporate attention to the political processes of most relevance to First Nations women, women living in rural, northern areas, and women who are members of visible minority groups.		Centre Des Femmes Francophone Du Nord Ouest De L'ontario , Thunder Bay, ON — Document the needs and experiences of francophone women survivors of violence in Northern Ontario.		\$10,000		
Canadian Women Voters Congress , Vancouver, BC — Reconceptualize the design, curriculum and faculty make-up of the annual Women's Campaign School to better reflect the priority issues and realities of a diversity of women, and to incorporate attention to the political processes of most relevance to First Nations women, women		Centre for Equality Rights in Accommodation , Toronto, ON — Investigate systemic barriers to Canadian women's substantive equality in the housing sector. It includes three components: research, consultation with 20 key women's groups and Evaluation.		\$68,395		
		Chetwynd Women's Resource Society , Chetwynd, BC — Focus on using the media as a tool to influence public discussion on violence against women and other issues relating to women's equality in a rural, northern context. The strategy to be used will involve the development of a "northern women's equality framework".....		\$22,532		
		Child Care Advocacy Association of Canada , Ottawa, ON — Employ various strategies and activities to achieve its goals to advance the development of an expanded and improved child care system in Canada based on principles of universal accessibility, high quality, affordability, parental involvement, non-profit operated and, appropriate salaries and working conditions for child care providers.....		\$260,220		
		Committee for Career Advancement of Aboriginal Women (CCAAW) , Beaver Dam, NB — Engage young Aboriginal women and their leaders in dialogue on aboriginal issues. They intend to develop a process to help young Aboriginal women gain a voice in their future.		\$8,284		
		Committee for Equity of Access for Women's Health , Edmonton, AB — Addressing systemic barriers that prevent women in Northeast Edmonton, often facing poverty and family violence issues, from accessing services		\$42,000		
		Community Microskills Development Centre , Toronto, ON — Address women's under-representation in the Information & Telecommunications Technology (internet) sector by documenting and disseminating strategies to achieve women's equitable participation in this highly gender polarized technology sector.		\$45,800		
		Contact Women's Group Society , Williams Lake, BC — Develop a process and structure for women to contribute to regional health planning and policy development in the Cariboo-Chilcotin area. An advisory committee will be formed to incorporate different perspectives and experiences from women of diverse backgrounds, including Aboriginal women, senior women, women of colour and lesbians. A report will be prepared to record the process and plans for future action.		\$19,000		
		Cranbrook Women's Resource Society , Cranbrook BC — Demonstrate how the issues of poverty and violence against women affect women on a local level. Local statistics and anecdotal information will be compiled and analysed. Advocacy strategies and a plan of action will be formulated and implemented to bring about legislative and policy change. As well, local activities will be organized to support the World Women's March and increase public awareness of women's experience with violence and poverty.		\$19,000		
		Crowsnest Pass Women's Resource and Crisis Centre , Blairmore, AB — Conduct a needs and feasibility study on the establishment of a "one stop" post secondary education daycare facility for single women students with children. The organization, in conjunction with a university-based researcher, will formally survey the day care needs and requirements of potential and current women students living in the Crowsnest Pass.		\$20,000		
		East Prince Women's Information Centre (EPWIC) , Summerside, PEI —Build the necessary coalition and collaboration between experts, lawyers, relevant community organizations while empowering women victims of the penal system by providing				

Status of Women Grants

Group name	—	location	—	purpose of funding	—	\$ amount
opportunities for them to meet, discuss and share experience and knowledge. This ongoing evaluation process will enable EPWIC and their partners to identify a plan of action for follow-up work.		change on the socio-economic status of women.....		\$20,000		\$43,838
End Legislated Poverty , Vancouver, BC		Gander Status of Women Council , Gander, NFLD — During the first phases of the Justice Initiative documented women's experience with the legal aid system and examined how their policies systemically discriminate against women. The Council has analysed this information and developed preliminary recommendations for the implementation of change. During Phase 3, the Council will meet with women and women's groups to discuss the recommendations in the Legal Aid Gender Equality Analysis report and plan strategies to assist the Provincial Government and the Legal Aid Commission to act on these recommendations. The Organization is also planning two meetings with the Atlantic Caucus on Justice issues to discuss this document and explore common ground and possible strategies for co-operative action on addressing specific issues/ recommendations that have an impact on the Atlantic Region and that could possibly fall under federal jurisdiction.		\$50,000		
— This is a participatory action research strategy involving low income women in the development, design, production and testing of an action kit entitled "Women in Poverty: Educating for Systemic Change". The kit will include both practical and analytical information on such topics as childcare, housing, violence against women, class and the women's movement, women and disability, and the feminization of poverty, particularly the connections between globalism, racism and sexism.		Inanna Publications and Education Inc., North York, ON — Publication of Issue entitled "Women 2000: Eradicating Poverty and Violence in the 21st Century" This initiative supports the production, promotion and distribution of 6,000 copies of an issue of Canadian Woman Studies entitled "Women 2000: Eradicating Poverty and Violence in the 21st Century".		\$50,000		
Equay-Wuk (Women's Group) , Sioux Lookout, ON — This is a capacity building initiative by and for Aboriginal women in the Nishnawbe Aski area of Northern Ontario. It is focused on increasing women's understanding of and participation in all levels of First Nations governments including the self-government process.		Intercede for The Rights of Domestic Workers, Caregivers and Newcomers , Toronto, ON — A national level discussion amongst Domestic Workers' organizations on INTERCEDE's participatory action research entitled "Caregivers Break the Silence". A national meeting, to be held in Toronto September 8, 9 and 10, of organizations from Vancouver, Calgary, Winnipeg, Regina, Ottawa and Montréal to discuss, share their input, provide comments and other feedback.....		\$17,300		
Federation Nationale des Femmes Canadiennes-Françaises, Ottawa, ON.....		Golden Women's Resource Centre Society , Golden, BC — Facilitate the formation of a community-based committee — to devise a strategy to reduce women's poverty — consisting of employers, women experiencing multiple barriers to employment, and representatives from frontline agencies and training institutions.		\$30,000		
Federation Nationale Des Femmes Canadiennes-Françaises , Ottawa, ON.....		Howe Sound Women's Centre Society , Squamish, BC — Address women's economic needs in a community affected by downsizing of the forestry industry. Working groups of 50 to 60 women from diverse backgrounds will develop a series of economic options for women in the areas of employment, training and entrepreneurship, including recommendations for policy and program change.		\$15,000		
Feminists for Just and Equitable Public Policy , Halifax, NS — Carry-out a long-term, comprehensive strategy that will result in some of the following outcomes: Impact assessment tool which can be used by equality-seeking women's organizations and by government policy makers to assess the effectiveness of present and future policy related to economic autonomy issues; Integrative policy framework to assist equality seeking women's organizations and government policy makers to take into account the inter-related social and economic factors that impact on the economic independence of women; Collaborative relationship with government representatives to increase the acceptance and use of the impact assessment tool and integrative policy framework to serve as a model for future work on other women's equality issues in Nova Scotia.....		Immigrant Women of Saskatchewan-Saskatoon Chapter , Saskatoon, SK — Undertaking a multi-prong initiative to influence poverty reduction policies and programs in Saskatchewan. They will be gathering and analysing data on the incidence and extent of poverty experienced by immigrant families, particularly women.		\$16,000		
— \$110,712		Immigrant, Refugee and Visible Minority Women of Saskatchewan Inc. , Regina, SK — Immigrant, Refugee and Visible Minority Women of Saskatchewan will be undertaking a follow up initiative that will see the implementation of the recommendations developed by the group in their last initiative. IRVM Women carried out a comprehensive initiative to identify barriers faced by immigrant women to achieve economic autonomy. The evaluation will be done by an independent consultant through interviews, questionnaires, and surveys and		\$30,240		
Fernie Women's Resource and Drop-In Centre , Fernie, BC — Engage women in Fernie in shaping the future of their community during an economic transformation. A study will be conducted to record and analyse pertinent economic and social trends during the last few years as Fernie transforms from a resource industry-based town to a ski destination resort. The study will examine the effects of this economic structural		Kamloops Women's Resource Group Society , Kamloops, BC — Examine the impact of proposed family law reform on women, and will encourage women in Kamloops to express their views on these issues. In collaboration with other advocacy groups, the group will submit briefs outlining women's concerns and recommendations to the Minister of Justice and the Attorney General. Workshops, news releases and newsletters will be used to increase public awareness and support for fair legislative changes.....		\$20,000		
		London Women Our Votes Count , London, ON — Build a broad-based coalition of organizations representing women in London in order to foster discussion in the community on social justice issues of concern to women. Also to be assessed is the degree to which the network of organizations working on women's equality and other social justice issues has been expanded and strengthened.		\$10,000		
		Manitoba Association of Women and the Law Inc. , Carman, MB — In light of rulings by the Supreme Court, MAWL plans to examine the laws, statutes and regulations in Manitoba and to focus on legislation that discriminates against lesbian women by not ensuring equality for same sex couples in Manitoba		\$34,180		
		National Association Des Collaboratrices Et Partenaires En Affaires , Saint-Hubert.				

Status of Women Grants

Group name	—	location	—	purpose of funding	—	\$ amount
PQ.....	\$70,520		\$18,000		
National Association of Women and The Law , Ottawa, ON — Promote substantive equality for women in Canada through consultation, research, law reform advocacy and legal education.	\$33,850			Northwestern Ontario Women's Decade Council , Thunder Bay, ON — <i>N. W. O. Round Tables on Northern Women's Issues Women of Yesterday, Today and Tomorrow: Coming Together Women's Conference</i> brought 345 northern women from diverse constituencies together in Thunder Bay, Oct 1-3, 1999 to identify priority issues and make recommendations for action. <i>Northwestern Ontario Round Tables on Northern Women's Issues</i> is a community development and advocacy response to conference recommendations specifically related to violence against women and economic security.....	\$80,000	viability of the traditional knowledge held by women and will identify the legal obstacles that may impede the protection of traditional knowledge.....
National Association of Women and The Law , Ottawa, ON -- Promote substantive equality for women in Canada through consultation, research, law reform advocacy and legal education. This initiative is designed to provide women with information on their legal rights, and to be a vehicle to motivate individual women and women's groups to advocate for the advancement of women's equality rights.	\$228,400			Penticton and Area Women's Centre Society , Penticton, BC — This initiative involves the Centre's strategic and active participation on two community councils the Penticton Community Learning Society (PCLS) and the Penticton Community Development Council — both of which have the potential to contribute to women's economic equality.....	\$52,240	
National Council of Women of Canada , Ottawa, ON — Work with a national advisory committee drawn from many equality-seeking women's organizations to ensure that the process is inclusive of a broad cross-section of young women -students, drop-outs, single mothers, minority young women, young women on welfare. Young women will participate at all levels of the initiative: local thinktanks to identify needs and possible responses, a national roundtable to create strategies and content for an educational package, and community workshops/roundtables to develop strategies for action.....	\$84,203			Popular Education Research Group - International Gender and Trade Network (IGTN), Toronto, ON — Funding to facilitate planning sessions and a round-table consultation meeting of approximately 20 key representatives from national women's and other civil society organizations involved in international trade and gender and trade-related activities in research, advocacy and popular education.....	\$15,000	
National Organization of Immigrant and Visible Minority Women of Canada , Ottawa, ON — This is the third and final phase of an initiative begun by NOIVMWC in 1997-98, to enhance immigrant and visible minority women's access to, and use of, new information technologies (internet) to improve their economic status, and enable them to use the Internet for networking and advocacy to advance equality issues affecting them.....	\$68,298			Portland Hotel Society , Vancouver, BC — This six month initiative will pilot an accessible women-focused, university-level curriculum for low-income women residents of Vancouver's Downtown Eastside that will support women to critically engage with their community and to gain an understanding of how public policy affects their lives.	\$44,998	
National Watch on Images of Women In The Media Inc , Toronto, ON — In this two-year initiative, MediaWatch (MW) will aim at remedying the stereotypes and underrepresentation of women and girls in the popular culture and the mass media, by pursuing three strategies aimed at contributing to improving the way media represents women and girls.	\$205,500			Pro-Choice Action Network , Vancouver, BC — This is a six-month initiative to ensure that efforts to develop a BC response to Health Canada's "A Report from Consultations on a Framework for Sexual and Reproductive Health" will benefit women throughout the province, and will reflect a feminist perspective with attention to under-served groups of women. The Pro-Choice Action Network will work collaboratively with the Planned Parenthood Association of BC to develop an informed, gender analysis and response to the Framework.....	\$21,865	
NB Women's Research and Action Committee , Shédiac, NB — Identify what is currently happening in the province of New Brunswick in terms of women and economic development through identification of issues and barriers to women's participation in community economic development. \$44,800				Provincial Association Against Family Violence , St. John's, NFLD — Phase 3 of the initiative, "Developing the Workshop", will build on the previous initiative's work by adapting and applying its material. A workshop curriculum will be developed to introduce gender-inclusive analysis, alternative conflict resolution and include an assessment of programs for women who have been victims of abuse and violence against women to decision makers, community and government agencies and policy makers. Phase 3 will attempt to rectify the omission of Aboriginal and Multicultural women's voices in these documents. The initiative will be overseen by the Project Reference Group, which has representation from 30 community and government agencies.		
North Shore Women's Centre Society , North Vancouver, BC — Address barriers to housing experienced by single mothers, women leaving abusive relationships, senior women, low-income women, women with disabilities, aboriginal women, lesbians and other marginalized groups of women.						

Status of Women Grants

Group name	—	location	—	purpose of funding	—	\$ amount
\$92,280						
Quesnel Women's Resource Centre, Quesnel, BC — <i>Addressing Poverty in Quesnel — improving Women's Economic Status</i> This initiative will address women's poverty issues in Quesnel by working with community women to advocate the removal of restrictions on student loans and social assistance for women with limited resources who want to upgrade their education.		Association , Surrey, BC — Address issues related to abuse of older women, women's poverty, and women's access to legal services. The process will involve a working partnership with a broad range of Organizations in the Surrey/White Rock area, including: Atira Transition House, Surrey Women's Centre, Newton Advocacy Group, Surrey Child Poverty Group, Semiahoo Affordable Housing and the Women's Access to Legal Services Coalition.....		\$20,000		policy discussions within their community.... \$26,000
\$23,000						
Revolution Girl Style, Regional Multicultural Youth Council , Thunder Bay, ON — The group will plan, promote, organize and follow-up a series of five week long camps for young women between the ages of 11-17. The camps will focus on a combination of issue and skill development. Issues being addressed include body image, violence against women, sexual abuse, substance abuse, media awareness and racial discrimination. A final report documenting the camp process and issues identified by young women will be distributed to the women's, multicultural and youth organizations in the city.....		Students Commission of Canada , Toronto, ON — An innovative, youth-driven initiative to bring together Canadian girls and young women to make an impact on the systemic barriers women face at the intersection of race and gender, particularly in the areas of violence and poverty.....		\$80,880		The Nova Scotia Restorative Justice Women's Research Coalition, Halifax, NS — The Coalition, through inclusive, participatory research and consultation, including interviews and focus groups, will document women's perspectives and experiences with restorative justice initiatives being proposed by the Provincial Department of Justice, as they affect and impact women victims of assault and women offenders.
\$10,000						\$93,437
Richmond Women's Resource Centre Association , Richmond, BC — Using the media to highlight issues of women's poverty and evaluating the policies on violence against women in relationships. This will include the implementation of Focus groups and informal surveys involving women who have experienced poverty resulting in the production of a Women's Poverty Report Card.		Sunshine Coast Women's Resource Society , Sechelt, BC — Assist Women's Centres in British Columbia to increase the effectiveness of their actions to advance equality for women. Under the leadership of the Sunshine Coast Women's Resource Society, 20-25 Centres will work cooperatively by way of new communications technologies to better coordinate their work. Participating groups will: identify a set of issues requiring timely co-ordinated collaborative action; examine their current methods of collaboration; their online status and specific barriers to online collaboration that they face.		\$20,000		The Students Commission, Vancouver, BC — This is a strategy to address economic globalization and its impact on women's equality from the perspective of young women. Local campaigns will increase public awareness and action on globalization and its impacts on local and national economies. These campaigns will also enable young women to make connections between their day-to-day lives and actions, and the lives of women in other countries and empower them to take action in their communities. Follow-up interviews with selected young women will provide information about their level of understanding about globalization, their involvement in the local campaigns and their commitment to long-term action in their communities on these issues.
\$17,000						\$20,000
Saskatchewan Action Committee, Status of Women , Regina, SK — Enhance women's access to justice through the establishment of community legal clinics in Saskatchewan. The key components include literature research into the feasibility and efficacy of legal clinics, study of jurisdictions with legal clinics in place, and the development of a joint action plan with the network of partners to see the establishment of these clinics in Saskatchewan. This discussion paper will be used for the focus groups with a diversity of Saskatchewan women in seven geographic locations to seek input based on their experiences with the issue.		Table Feministe Francophone De Concertation Provinciale , Ottawa, on		\$80,000		Toronto Women's Network, Toronto, ON — This 16-month initiative has been designed to build community capacity and advocacy skills among refugee and immigrant women in a select number of low-income neighbourhoods across the City of Toronto.
\$119, 400						\$77,500
Saskatchewan Ad Hoc Committee on Abuse In Lesbian Relationships , Saskatoon, SK — The group will undertake a survey of the incidence and prevalence of abuse in lesbian relationships and the impact it has on their lives. The group will use various means to advertise the initiative and the questionnaire in order to reach the women in this marginalized community. They will put posters about the survey in service locations, web page and on women's electronic lists.....		Tamitik Status of Women Association , Kitimat. BC — To address the multiple problems faced by women in their efforts to secure safe, affordable housing in the rural northern community of Kitimat. An action plan for increasing the availability of safe, affordable housing for low-income women in the Kitimat area will be developed and implemented.....		\$15,000		Urban Core Support Network, Saint John, NB — The group will use the momentum of the NB Renewal of Social Policy to ensure that women living in poverty are heard, valued and involved in effecting changes to the Human Resource Department - Family and Community Services division problem policy areas. The Committee will actively facilitate meetings, discussions and workshops with all partners in order to develop and implement strategies so as to strengthen their ongoing working relationships and to build new links with women living in poverty in order to increase their involvement in the development of concrete actions to positively affect the four targeted policy areas.
\$20,470						\$60,000
South Surrey White Rock Women's Place		Terrace Anti-Poverty Group Society , Terrace. BC — Address an existing gap in research on women's homelessness in non-urban areas. A comprehensive qualitative analysis of a diversity of women's experiences with poverty will be undertaken in several rural, northwestern BC communities with the active participation of women who themselves have experienced, or are at risk of homelessness. A tool for assessing women's risk of homelessness will be developed.		\$28,926		Vernon and District Women's Centre Society, Vernon, BC — Support women's participation in the City of Vernon's development of a social policy to determine the social priorities and create a framework from which to address social issues in Vernon. By applying a gender analysis to existing municipal social policies, and by engaging individual women and community organiza-

Status of Women Grants

Group name	location	purpose of funding	\$ amount
tions in focus groups and public meetings, the Centre will ensure that municipal policies take into account the specific needs of women. The Centre's board and staff will evaluate the process of the initiative, and will obtain feedback from community group partners on the language and contents of the draft policy.\$22,000		\$93,025	local Institutions to fill those gaps. . \$50,000
Victoria Faulkner Women's Centre , Whitehorse, YN — After conducting qualitative research, the Centre will present profiles of 15 Yukon women, representing those living on social assistance, those living in poverty, and women who have been able to get out of poverty.\$15,300		Women In Leadership Committee , Edmonton, AB — <i>If Women Ruled the World With Men... What Then?</i> This initiative builds on previous action research on women and leadership that led to an understanding of the personal characteristics and organizational patterns that contribute to the advancement of women to decision-making levels.\$62,875	Women's House of Bruce County , Kincardine, ON — Involve women who have experienced domestic violence in efforts of the Grey Bruce Court Coordination Committee to improve accountability within the social service and criminal justice systems.\$34,726
Violet Advisory Committee , Edmonton, AB — To create and develop an interactive space on the VIOLET website for women to provide input into public policy regarding legal and related issues on family violence, particularly the new Protection Against Family Violence Act in Alberta and its implementation. The initiative includes the development of the cyberspace VIOLETFORUM, the creation and implementation of its interactive component, as well as the creation of a space where women can share their stories about the impact of the Act in their experience with violence.\$16,100		Women Inventors Project Inc. , Thornhill, ON — <i>Entrepreneurial Women Project A</i> comprehensive national needs analysis to explore how various organizations serve women inventors and entrepreneurs.\$40,370	Women's Legal Education and Action Fund , Toronto, ON — Promote Women's Substantive Equality Through Programs Designed to Educate and Influence Targeted Audiences\$346,688
West Coast Domestic Workers Association , Vancouver, BC — This is a strategy that will enable a broad cross-section of domestic workers living in British Columbia to contribute to public policy discussions regarding the Live-in Caregiver Program and Canadian Immigration Policy. A series of 12 focus groups will be held in six different locations throughout British Columbia that will involve more than 150 domestic workers. A report summarizing the experiences of domestic workers and the recommendations for policy change that were identified during these sessions will be produced.\$20,000		Women Inventors Project Inc. , Thornhill, ON — A comprehensive national needs analysis to explore how various organizations serve women inventors and entrepreneurs. Additional resources are required to assist in covering the cost for focus group participants from outlying districts. This will ensure a more representative sample and will have a positive impact on the results and ultimately on the validity of the recommendations for both the service providers and entrepreneurs.\$19,681	Women's Union for Pay Equity , Moncton, NB\$50,000
Women Building Futures Society , Edmonton, AB — The WBF will expand on the success of their past work to build a successful model for working with the Apprenticeship Board, the Carpenter's Union, the Ironworkers' union and the Painters' union. This initiative will increase awareness of the barriers women face when entering trades and of the need to increase options available for women interested in entering these traditionally male dominated trades.... \$56,930		Women's Advisory Committee, National Farmers Union , Saskatoon, SK — A gender-based analysis study of data on the allocation, nature and remuneration of work done on farm, off-farm and in the farm community by farm family members over the age of twelve.\$82,200	Womenspace Association , Almonte, ON, — Enable Womenspace Association to organize a meeting to exchange information on issues affecting women and ICT and on government internet surveys/ data being released in March: to strategize on how women and women's groups can more effectively participate in current and forthcoming policies/ programs.\$52,825
		Women's Committee In The Fishery , St. John's, NFLD — During the past fiscal years, Status of Women Canada, Atlantic Region, supported the participation of Atlantic Canadian women from fishery communities and organizations to an international conference "Gender Globalization and Fisheries in the New Millennium". The Women's Committee will take the lead in organizing this initial follow-up to this conference. They plan to organize/host two meetings, with four representatives from each of Newfoundland, Nova Scotia, New Brunswick and PEI who participated in the May conference.\$39,408	Womenspace Association , Almonte. Ontario —Address the need to increase the relevance to women, and women's access to federal government ICT policies and programs which currently do not address the needs of women; barriers to women's groups accessing, using and controlling ICT to pursue women's equality work and) to increase the visibility, awareness and co-ordination of women's equality web-based resources.\$204,108
		Women's Future Fund , Canadian Women's Foundation, Toronto, ON, <i>Putting the Building Blocks in Place</i> — This is the continuation of an initiative to enhance the ability of national women's organizations, working for equality for women and girls across Canada, to access new sources of financial support for their activities.\$45,000	Working Group on Women's Access To Municipal , Ottawa, ON — Undertake participatory action research looking at women's access to and suitability of services in Ottawa-Carleton. An action plan and strategies will be developed based on the analysis of the experiences of women to build the base for support of the report and its recommendations.\$35,000
		Women's Health Clinic , Winnipeg, MB — Identify gaps in health-related services for low-income women in Manitoba and work in partnership with service providers and other	Working Skills Centre , Toronto, ON — Address the "Canadian Work Experience" dilemma and reduced access to training posed by funding priority changes in the Employment Insurance and significant decrease in provincial funding support to language training.\$40,000
			Young Women's Christian Association Edmonton, Edmonton, AB — Raising awareness among potential women voters of the issues that affect them and of increasing the number of women who vote in both provincial and federal elections.\$20,500

You Asked for it...

How are tax revenues directed

Shelby, from Toronto, writes:

"Perhaps you could direct me to information outlining how tax revenue is directed. It seems fairly well known that property tax pays for education, but not as well known, for example, what income tax revenue gets used for? What does gas tax get used for?"

Unfortunately, it's the case that 99% of all government taxes collected go into a big pot called "general revenues" to be spent on whichever programs politicians decide are important. What this means is there are few so-called dedicated taxes,



by Bruce Winchester

National
Research Director

a tax that is levied to pay for a specific program or service like airport security or roads. Take the case of federal Employment Insurance (EI) premiums (a payroll tax). A recent report to Parliament pegged the EI surplus — the difference between premiums collected and benefits paid — at a whopping \$6 billion. But in truth this 'surplus' is a fiction — long ago spent by politicians in the big 'general' revenue pot.

In fact, Liberal-leader-in-waiting Paul Martin has often stated his opposition to dedicated taxes on the grounds that they tend to lead to over-funding of programs. Hmm.... and all this time, we thought overfunding was caused by politicians spending too much.

There is nothing wrong with modest gasoline taxes that cover the costs of roadway improvements, the problem lies with far more revenue being collected than is necessary for that purpose. Blaming dedicated taxes is a convenient excuse.

Contrary to conventional wisdom, property taxes do not generally pay for all education spending. Some provinces rely heavily on property taxes — local and provincial — to fund education, while others have reduced reliance on property taxes in favour of general provincial revenues. New Brunswick phased out local school boards and now education is funded entirely by the provincial government.

By looking at how revenues are raised, and comparing where tax dollars are spent, taxpayers

Top Four Federal Spending Envelopes 2001-2002 years

\$ millions	From Personal Income Tax Revenues	From GST Revenues	From Corporate Income Tax Revenues	From Employment Insurance Premiums
Transfers to persons Including Employment Insurance, Old Age Security and Canada Pension Plan	\$18,885	\$5,605	\$5,404	\$4,046
Debt Servicing The cost of paying interest on the national debt.	\$17,841	\$5,304	\$5,113	\$3,828
Transfers to Provinces Equalization, Health and Social Transfer	\$12,831	\$3,841	\$3,677	\$2,753
National Defence	\$758	\$225	\$217	\$163



can follow the money trail. In the case of federal revenue we know the top four sources of federal revenues are, in order of importance:

- Personal Income Taxes (48%)
- Goods and Services Tax (14%)
- Corporate Income Taxes (14%)
- Employment Insurance Premiums (10%)

Accounting for 87% of all federal revenues, these taxes pay for the following total dollars spent on the top four areas of federal spending – from largest to smallest (see chart on previous page).

As the CTF's Gas Tax Honesty Day Campaign has illustrated, only 3% of the \$4.8-billion in federal gas tax revenues are actually spent on roads and highways. Contrary to Mr. Martin's assertion, in this instance, a lack of dedicated taxes has led to the under-funding of our roads and highways.

Your CTF would like to see a

“As the CTF's Gas Tax Honesty Day Campaign has illustrated, only 3% of the \$4.8-billion in federal gas tax revenues are actually spent on roads and highways.”

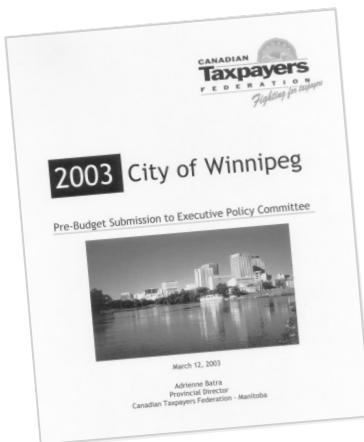
more focused government and some dedicated taxes might help them get them there. As a way to determine if a dedicated tax ought to be supported or considered, the CTF has outlined the following three principles: First, that the proposed tax is not in addition to, but rather a replacement for an existing tax or taxes. If this is not the case, then it is simply a cover for increasing your tax burden. Second, the tax or initiative should have a sunset clause, and not become a permanent fixture on the Canadian tax landscape. Third, a dedicated tax should never be used to fund anything other than its dedicated purpose. If these principles were applied to either gasoline taxes or EI, taxpayers would already enjoy much lower EI premiums and gasoline taxes.

Federal Fuel Tax Revenue versus Federal Highway Spending (\$ Million)

Year	Fuel Tax Revenue	Highway Spending
1997-1998	\$4,638	\$268
1998-1999	4,716	194
1999-2000	4,757	191
2000-2001	4,805	113
2001-2002	4,758	119

Send your questions to: Bruce Winchester c/o Canadian Taxpayers Federation
Suite 512 - 130 Albert Street, Ottawa, ON K1P 5G4
Fax: (613) 234-7748 E-mail: brucewin@on.aibn.com

Each month, CTF offices in five provinces and Ottawa handle hundreds of media interviews and inquiries, hold press conferences, publish reports, make presentations to governments and issue regular news releases, commentaries and publications to advocate the common interest of taxpayers. CTF representatives also speak at functions and organize major campaigns nationally and in the provinces that lead to public policy change. The following highlights activities for the months of March and April 2003:



CTF makes pre-budget recommendations before the City of Winnipeg's Executive Committee.

FEDERAL: In advance of a House of Commons vote to approve an additional \$172-million in funding for the federal government's 'gun registry' the CTF releases an analysis showing that costs could top \$2-billion over the next 10 years. The CTF reiterates its call to shut the registry down.

BC: The CTF reacts to news that the 454-million spent on constructing fast ferries were sold at auction for a mere \$20-million. Director Victor

Vrsnik issues a statement stating that the ferry fiasco reminds us why governments should not assume large financial risks and meddle in services that should rightly be provided by the private sector.

SASK: Info obtained by the CTF shows that SaskTel will drop \$53-million into its interactive webTV business. With \$21-million already spent the project has signed up 4,000 customers at a cost of \$5,300 each. SaskTel announces abandonment of a similar project in Australia.

FEDERAL: The CTF reacts quickly to government musing that it may buy shares in Air Canada to help the troubled airlines. Director Walter Robinson states Ottawa should eliminate its flying tax, reduce unjustified airport rents and slash the tax on aviation fuel before entertaining any corporate welfare bailout.

NATIONAL: The CTF held its 5th

March

annual Ted Weatherill Awards (Ted-dies) at a black tie news conference on Parliament Hill. [See full story page 22].

CAPC: The CTF reacts unfavourably to an Ontario Court of Appeal ruling that paves the way for the children and grandchildren of residential school attendees to sue for damages to their 'culture and heritage'. CPAC director Tanis Fiss warns of the potential cost and quickly organizes a campaign urging supporters to contact federal Justice Minister Martin Cauchon and demand the federal government appeal.

MANITOBA: The CTF makes pre-budget recommendations before the City of Winnipeg's Executive Policy Committee. Director Adrienne Batra recommends further tax relief, a phasing out of the business tax, spending on priority areas only and abandoning any speculation of a sales tax.

ALBERTA: The CTF releases calculations showing MLA pay rises to \$79,201 as a result of changes in the federal budget. In August 2001 Alberta MLAs arranged to have their pay package increase alongside increases in RSP allowances set by Ottawa. Director John Carpay reiterated the call for a simple, transparent and easily understood compensation package for Alberta MLAs.

ONTARIO: The CTF gives a C+ to the government's "Oprah Winfrey budget" delivered in a TV studio in front of a handpicked audience.

Director John Williamson states the budget is balanced and living within its means but fails to provide any broad based tax relief or restore the previous tax cut schedule.

SASK: Director David MacLean gives thumbs down to a budget that boosts spending, increases the size of government and does nothing to address the province's onerous tax burden. The CTF also questions the claim of a balanced budget while the province's net debt is growing.

April

FEDERAL: The CTF blasts election financing legislation (Bill C-24) that would dramatically increase taxpayer financing of political parties and already generous political tax credits. Testifying before a Commons Committee director Walter Robinson states the bill will erode democracy in Canada.

ALBERTA: Despite the delivery of 5,000 petitions in support of taxpayer protection legislation, Alberta's budget again increases spending. Tax cuts in the budget of \$94-million fail to offset last year's spending increase of \$641-million.

SASK: A report released by the CTF shows property taxes have climbed 15% in the cities and 28% in rural municipalities since 1997 – far outstripping 12% inflation.

MANITOBA: Director Adrienne Batra writes to premier Gary Doer urging repeal of gag law provisions contained in his government's Election Finance Act. Passed in 2000, but not proclaimed, the letter sought to pre-empt consideration of enforcement of its provisions on the eve of an election.

CAPC: The CTF reacts unfavourably to a draft treaty agreement with the Snuney-muxw band of Nanaimo. Director Tanis Fiss cites concerns

about cash, assets, land and special rights for fishing, logging and mining.

MANITOBA: The CTF reacts unfavourably to a budget that increases spending, raids Hydro and Fiscal Stabilization Funds for \$100-million and fails to index tax brackets and credits. Director Adrienne Batra points out that the budget ratio of spending increases to tax cuts is 11:1.

ONTARIO: Director John Williamson gives a positive review of the Ontario Liberals' platform on democratic reform. If implemented, the plan would establish fixed election dates, ban partisan advertising, expand the province's FOI Act and hold a referendum on voting reform.



Saskatchewan director David MacLean (left) presents CTF prebudget submission to then Saskatchewan Finance Minister Eric Cline

Activity Report March and April 2003

Office	Media Interviews	Events/ Speeches/ Letters/Releases/ Reports/Meetings/Etc.
Ottawa	179	32
Ontario	160	32
Alberta	105	62
Manitoba	102	28
Sask	56	15
BC	56	29
CAPC*	31	13
Total	689	211

* CAPC: Centre for Aboriginal Policy Change.

British Columbia

Minimize the Boondoggle Risk Factor

Run of the mill boondoggles are a hallmark of the political process. But the fast ferry fiasco is distinguished in a class of its own. This is no humdrum boondoggle. This is a *megadoggle* of the highest order.

Half a billion tax dollars flushed into the Pacific ocean with nothing to show for it but a costly make-work project courtesy of the last provincial government.

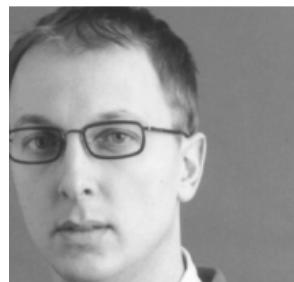
Half a billion bucks would have picked up most the tab for the province's road development projects in BC's heartlands, doing away with the necessity for a 3.5 cent per litre gas tax. From that perspective, motorists are subsidizing BC's Ferry system far greater than they ever imagined.

The traumatic memory of this megadoggle won't likely sail off into the sunset like a treble of auctioned-off *Pacificats*. It should scar deep into BC's political consciousness to serve as a lesson of the dangers of politically inspired make-work projects.

It illustrates *par excellence* why governments should not assume large financial risk or meddle in services that the private sector has demonstrated clear competence.

What distinguishes this politically motivated make-work project from

Half a billion taxpayer dollars flushed into the Pacific Ocean with nothing to show for it but a costly make-work project courtesy of the last provincial government.



by Victor Vrsnik

British Columbia
Director

benefit analysis vetted by financiers and accountants and feedback from the marketplace on a leased trial ship.

The normal checks and balances found in the private sector were lost on a government that was more interested in squandering taxpayer dollars on a public policy objective to rebuild BC's shipbuilding industry than ensure the project was achievable, viable and affordable.

The lessons gleaned from the Fast Ferry experience should inspire the BC government to release itself and BC taxpayers from other high-risk crown corporations, such as BC Rail and ICBC.

Let's not forget of ICBC's ill-fated real estate adventures causing it to write-off \$150 million on the Surrey Central Development, not to mention the \$219 million in pre-election give-aways to motorists and another \$3 million spread around to various sports clubs and sporting events.

The case for trimming down the size of the provincial government and narrowing its scope of activities has never been more apparent. Instead of simply parking the blame at the doorstep of the NDP, the BC Liberals could shore up public confidence in government by taking the boondoggle risk factor

out of crowns. The smartest way is simply to take the crowns out of government. ■

British Columbia

by Victor Vrsnik

Only now, after twenty-five years and \$857 million in asset write-offs later, a provincial government is finally taking up a royal commission recommendation to hitch BC Rail to a private operator.

The 1977, the *Royal Commission on BC Rail* urged the Bennett government to sell-off the beleaguered regional railway.

At the time, BC Rail was losing market share to competing railways and the growing trucking industry. By 1977, the railway cost the public \$1 billion in invested capital and operating losses as its earnings continued to slide.

Fast forward to February 2003 and Premier Gordon Campbell and Transportation Minister Judith Reid seem to have dusted off the Royal Commission's report and taken its suggestions to heart.

The province will issue a "request for proposals" for a private-sector investor to run the railway. Hard assets such as box cars and locomotives will likely be put up for sale while the province retains public ownership of the railbeds and rights-of-way and reserves the option to lease them out to a private operator for a fixed period of time.

One wonders why it took a quarter century for the government to realize that financing a capital-intensive business like a freight railway is a job best left to the private sector. It was no mystery to the Commission.

At the centre of their objections to a government-run railway was the "curious and durable political mythology" that fuelled public control and expansion of the

Royal Commission's

"sell BC Rail"

proposal still on the money

way into unprofitable routes. The \$1 billion in subsidies spent on the railway for its "public policy function" to develop BC's central and northern regions deprived the government of the capacity to provide other services to the public, such as roads and highways. The "public policy function" was nothing more than an "attempted rationalization of the fact that [BC Rail] loses money at an enormous scale," reads the report.

The commission's other compelling case to unload BC Rail strikes at the core of all Crown corporations: the "lack of the 'ultimate free enterprise option', the right to close down." Without the threat of insolvency nipping at its heels, the railway would be guided less by sound business decisions ensuring its survival than by political meddling ensuring votes from BC's central and northern communities. The Royal Commission report is still right on the money.

A 1995 NDP cabinet document reportedly proposed to sell off BC Rail through a "share offering" on account of "major threats to its commercial viability." The challenges to the railway's financial health outlined in the NDP cabinet document still hound BC Rail today, namely competitive pressures and a declining revenue stream.

Despite management's recent cost saving measures, BC Rail still has nearly half a billion dollars of debt on its books.

Its sale to a new investor would go a long way to release BC taxpayers from debt and further liabilities. And, it would clear the way for a new investor to deliver freight services in British Columbia. ■

“By 1977, the railway cost the public \$1 billion in invested capital and operating losses as its earnings continued to slide.”



Budget 2003-04:

Big-spending Klein betrays taxpayers again

Before the 2001 provincial election Premier Klein promised Albertans that “the only way taxes are going is down.” In 2002 he broke that promise with a \$641 million tax increase, raising the health care premium tax to \$1,056 per Alberta family, as well as hiking other taxes. Budget 2003-04 cuts corporate income tax by only \$94 million – just one seventh of last year’s tax increase. Unfortunately, Premier Klein’s pre-election promise remains broken.

It’s no secret why Premier Klein raised taxes. Spending on government programs is up 60% in seven years, from \$12.7 billion in 1996 to \$20.3 billion in 2003. During the same time period, Alberta’s population grew only 14%. It would be nice if this \$20.3 billion were “government money” but unfortunately there is no such thing. Every penny is taken from taxpayers, whether through income tax, fuel tax, property tax, business tax or the health care premium tax.

Politicians of all stripes love spending other peoples’ money, and Alberta’s Tories are no exception. If Premier Klein had increased spending by “only” 55% (instead of 60%) he could have reversed all of last year’s tax hike. Your CTF will continue calling for the full reversal of the tax increases in 2002.

Positive changes to help taxpayers

Public sector wages for nurses, teachers, doctors, MLAs, and government employees, which eat up most of the provincial budget, should not grow faster than private sector wages. How many people in the private sector get increases of 30%, 22% or 14% like doctors, nurses and teachers? Rather than helping only one

“It’s no secret why Premier Klein raised taxes. Spending on government programs is up 60% in seven years, from \$12.7 billion in 1996 to \$20.3 billion in 2003. During the same time period, Alberta’s population grew only 14%.”

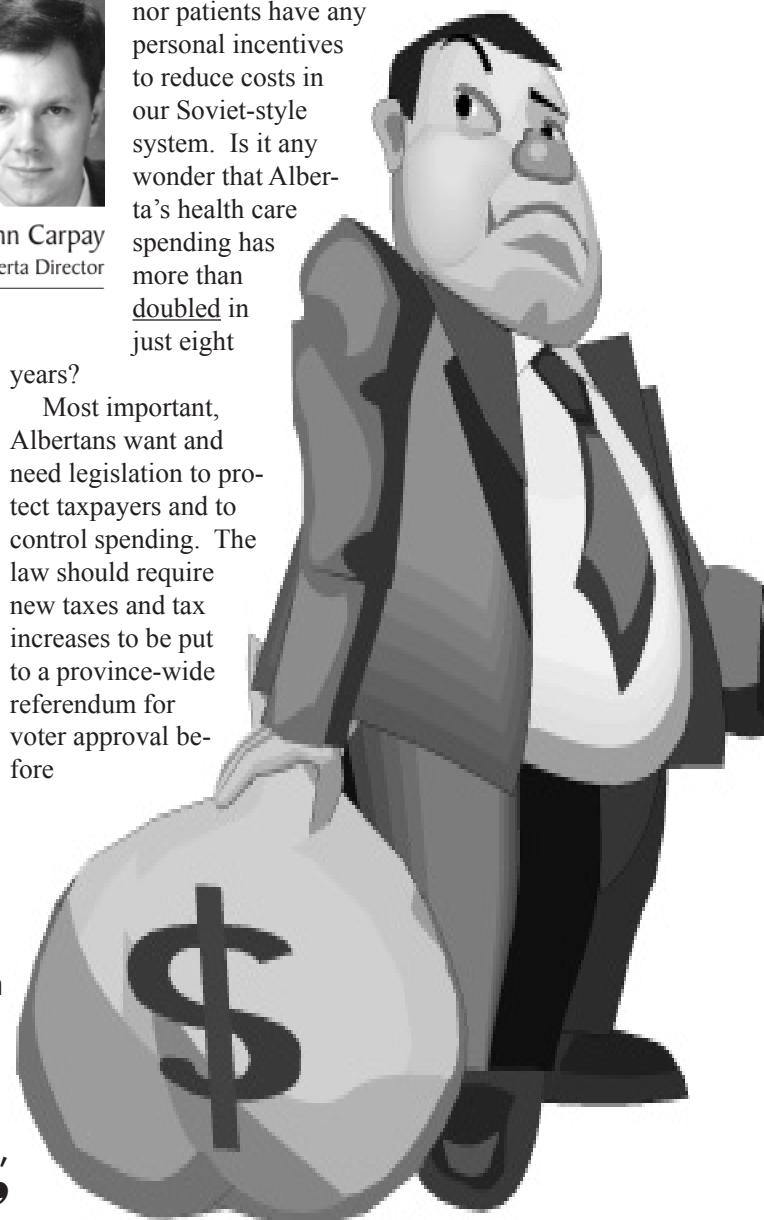
group with double-digit raises, the government should help all Albertans – including public sector workers – by eliminating the health care premium tax or by reducing personal income tax.

Our health care system should be restructured to introduce accountability and incentives for efficiency. Currently, neither doctors nor patients have any personal incentives to reduce costs in our Soviet-style system. Is it any wonder that Alberta’s health care spending has more than doubled in just eight years?

Most important, Albertans want and need legislation to protect taxpayers and to control spending. The law should require new taxes and tax increases to be put to a province-wide referendum for voter approval before



by John Carpay
Alberta Director



going into effect. The law should limit growth in government spending to inflation and population growth. Without these new laws, Alberta politicians will retain the right to raise any tax at any time for any reason, with almost no accountability. ■

“Public sector wages for nurses, teachers, doctors, MLAs, and government employees, which eat up most of the provincial budget, should not grow faster than private sector wages. How many workers in the private sector get increases of 30%, 22% or 14% like doctors, nurses and teachers? ■

\$230,000 of your tax dollars for feel-good ads

You know the Alberta government is swimming in money when it blows \$230,000 on feel-good television and newspaper ads to promote Budget 2003-04. Alberta's radio, television and newspaper media informed the public about this budget without costing taxpayers one cent. Albertans who wanted more details on the budget could log on to the government's web site or call their MLA – without \$230,000 worth of encouragement. Premier Klein and his ministers had ready access to media, with a fair shot at explaining why they thought this budget was good.

Nevertheless, Klein has spent \$230,000 of Albertans' money to tell Albertans that this budget is good. Was this ad campaign a better use of money than letting Albertans spend \$230,000 of their own money on things like food, clothing, housing, charitable giving, holidays, paying off student loans and other debts, saving for one's retirement, saving for

children's education, etc.?

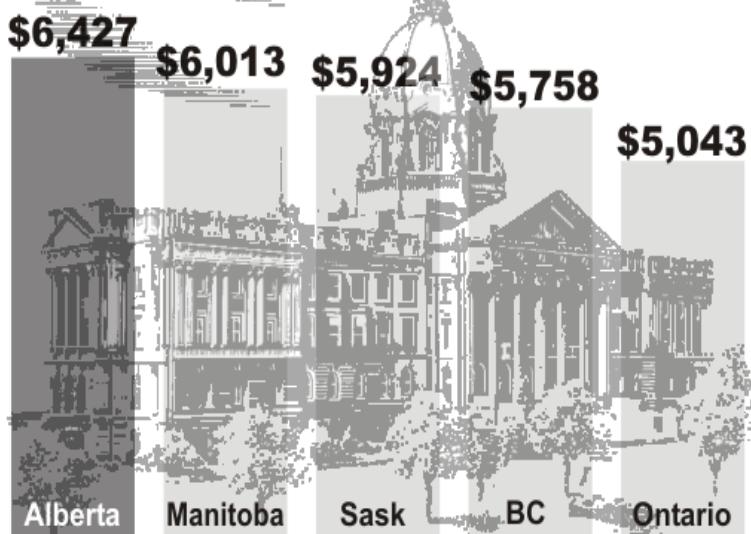
Alberta's well-funded and generously-staffed Public Affairs Bureau would claim that these \$230,000 ads contain factual information. Yes, factual information that was nicely packaged and artfully presented to proclaim one simple message: “this budget is good.” Tax dollars should not be used to promote one particular opinion – neither of Premier Klein nor of the Canadian Taxpayers Federation nor of anyone else.

This \$230,000 campaign was “only” one eighth of one percent of one percent of this year's \$20.3 billion budget. But as the old saying goes: “He who is faithful in little things can be trusted with big things; and he who is untrustworthy in small matters cannot be relied on in large matters.” ■

The tax cuts Alberta could easily have

At \$6,427 per person, Alberta's “conservatives” spend on a scale that would make Saskatchewan New Democrats and B.C. Liberals green with envy. If Tory Alberta spent \$5,924 per person on programs like NDP Saskatchewan does, Albertans could enjoy a \$1.6 billion tax cut enough to eliminate the health care premium tax and reduce the provincial school property tax by 60%. If Alberta spent \$5,758 per person like Liberal B.C., Albertans could enjoy a \$2.1 billion tax cut enough to abolish both the health care premium tax and the provincial school property tax entirely.

Program spending per capita, 2003-04



INCREASED PROSPERITY

Within our Grasp



Saskatchewan's Budget 2003 was a big disappointment because there is little indication the government understands the seriousness of the issues facing the province. To be perfectly blunt: the provincial economy is being suffocated by overwhelming tax burdens and an increasingly aggressive and meddlesome government bureaucracy.

Taxpayers subsidize the education of our best and brightest at public universities, and the students walk away in droves to more productive economies — which is natural human behaviour. People go where the opportunities are, and Saskatchewan university grads are leaving by the hundreds.

What 'big government' advocates ignore is that tax reductions often increase revenues. Virtually every government in Canada has reduced tax rates over the last decade, and every province has seen an increase in tax revenues. Tax cuts work.

The best example of this inverse relationship is Ontario, where income tax rates were reduced by 38 per cent since 1994. Over that time, the total tax take has increased by 39 per cent. New Brunswick slashed their personal income tax rate by 11 per cent, and saw a 30 per cent increase in tax revenues. Quebec reduced taxes by 7 per cent and revenues increased by a whopping 36 per cent.

Even in Saskatchewan, much-needed reductions in income taxes are resulting in increased revenues for the province. At last glance, income tax revenues are estimated to be \$250 million higher than

“Virtually every government in Canada has reduced tax rates over the last decade, and every province has seen an increase in tax revenues. Tax cuts work.”

forecast. Unfortunately, those revenue increases aren't funnelling back to taxpayers in further tax reductions, rather, they are being used to grow the government, as evidenced by a five per cent spending hike in Budget 2003.

While the evidence clearly shows that economies and government revenues grow when the burden of taxation is eased, this may not always be the case. There can be short to medium term side-effects of tax cuts. A wise government accompanies tax reductions with an overall reduction in the size of government, to the displeasure of cradle-to-grave bureaucrats and many union leaders.

Let's strike out in a new direction. Increase the basic personal exemption to \$10,000 so that we are no longer taxing the poorest of the working poor. Let's work toward getting rid of onerous, awkward and complicated school taxes on property.

To realize a new future for Saskatchewan, spending cuts will have to be made. A new way of governing the province will be forged. But if other provinces' experience is to be our guide, we can take comfort in the knowledge that increased prosperity is within our grasp. ■



by David MacLean
Saskatchewan Director

Province needs Dr. Phil's tough love

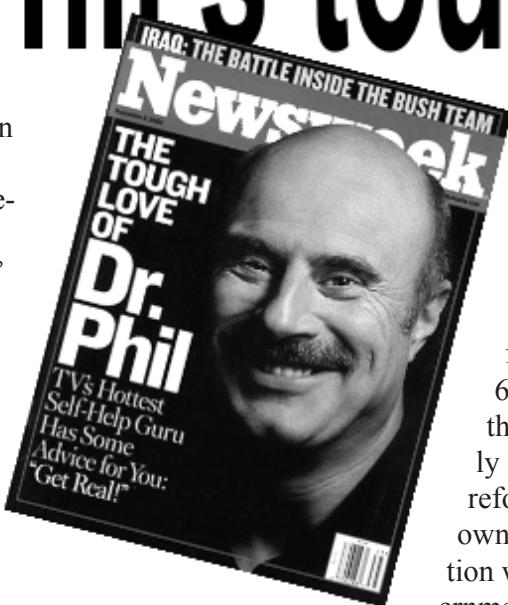
Juggernaut television psychologist Dr. Phil often says “the best predictor of future behaviour is past behaviour.” If this maxim holds true with our NDP government in Saskatchewan, it’s bad news for property taxpayers.

Frustration over rising property taxes (particularly for school taxes on property) has manifested itself in the form of 31,352 signatures on three separate petitions, which were hand delivered to Saskatchewan Finance Ministers. Just two months ago, the CTF delivered thousands of signatures calling for a review of the school tax system and immediate school tax relief to then-Finance Minister Eric Cline.

The number one recommendation in the CTF pre-budget submission was to address the problem of onerous property taxes through a review commission that would study school funding and implement changes to reduce the school tax burden. Well folks, chalk up another victory for the CTF.

Saskatchewan’s 2003 budget included a review commission on school taxes, and the CTF has been invited to participate in the process. Rest assured that your CTF will send a strong message that school taxes need to be sharply reduced and capped, if not completely abolished.

Information acquired from the Saskatchewan government by the Canadian Taxpayers Federa-



tion (CTF) reveals that property taxes continued to soar in 2002, far outstripping Saskatchewan’s 12 per cent rate of inflation since 1997.

Recognizing and accepting the fact that property taxes are rising 64 per cent faster than inflation, and that this trend must be immediately stopped, is central to meaningful reform. Dr. Phil would call it “taking ownership of the problem.” This situation was created by the provincial government, and be-everything-to-everyone local politicians. It’s up to them to solve it.

In the coming months your CTF will be releasing its own proposals for school and property tax reform with eye toward simplicity and fairness.

Our politicians desperately need some advice. Dr. Phil, are you listening? ■

Property tax facts

- ◆ Total property tax bills (including municipal and school taxes) increased by **20 per cent** since 1997 (\$191,728,635).
- ◆ Total property taxes (including municipal and school taxes) for **rural municipalities** increased by **28 per cent** (\$98,759,106) since 1997.
- ◆ Total property taxes (including municipal and school taxes) for **agricultural land** increased by **19 per cent**.
- ◆ **School taxes** on agricultural land increased by **26 per cent** (\$34,064,967) since 1997.

MANITOBA'S MYTHICAL INCOME TAX CUT

by Adrienne Batra

Long overdue, and short on tax cuts, the NDP has delivered its pre-election budget.

Arriving some 22 days after the fiscal year ended (requiring \$1.9 billion in special warrants), there was a little bit for everyone in the budget: more money for health care, bigger welfare payments, more cash for education, tax credits galore, and yes, even one income tax cut – uh ... sort of.

The reduction in the middle tax bracket to 14% is certainly welcome, unfortunately Manitobans are still paying some of the highest taxes west of Ontario. Any of the paltry savings, which don't come into effect until January of 2004, will be eaten away by bracket creep. Most provinces in Canada have announced the elimination of this stealth form of taxation, but the NDP in Manitoba refuse to let it die – the fact still remains that you can have as many tax cuts as you want, but until tax brackets are indexed to the rate of inflation, reductions are a moot point.

In 2002 the province collected \$700 million in taxes from the middle tax

bracket. With the 6% reduction, \$42 million less will be taxed into the provincial coffers in 2004, however, thanks to bracket creep \$34 million that would not have been taxed will continue to flow in, with a net difference of \$8 million in tax savings. So the 6% cut is actually only a 1% tax cut. In real dollars someone making \$40K will not save the \$300 the province would have us believe. When you account for bracket creep, your real tax savings will only be about \$48. As it

turns out, not all tax cuts are created equally.

So whom do we have to thank for this stealth form of taxation? Since moving to a tax on income, the Manitoba government decided, once again, that tax revenues could be raised without visible tax hikes by refusing to index the tax system for inflation.

This mediocre tax does nothing to put Manitoba at a competitive advantage -- it simply reaffirms how over-taxed we are. ■

CTF director Adrienne Batra handles media inquiries on the Manitoba budget



Budget 2003

HEY BIG SPENDER

With the delivery of Budget 2003 entitled *Building for the Future*, the NDP government has stayed true to their classic tax-and-spend form. This budget has done very little to take Manitoba off the 'have not' list of provinces. Spending is up by \$348 million from last year and very little was done to address the onerous income tax burden Manitobans are facing.

Here are the some of the highlights from Budget 2003:

Residential Education Support Levy

Any provincial income tax cut is an exercise in futility since property taxes continue to rise in Manitoba. Even with the announcement of a reduction to the ESL by nearly 19%, it will amount in paltry savings for homeowners. Since every penny the ESL is reduced will be offset by increases in school taxes, this so-called tax cut amounts to nothing more than tax redistribution.

Let's look at school taxes on farmland for example. With rates set to go even higher, there are significant discrepancies that still exist from one RM to another regarding the portion of school taxes generated from farmland. Fifty-eight out of 116 municipalities depend on farmland to support over 50% of the school division tax base. Not once in the budget was this concern addressed, it was conveniently glossed over with a claim that it will save farm property owners \$7 million.

Your CTF will continue to pressure the government to eliminate or phase out the school division taxes lev-

ied on farmland and conduct a comprehensive review of the school tax system to explore alternative education funding mechanisms.

Manitoba Hydro/Fiscal Stabilization Fund (FSF)

The province has raided the piggy bank to the tune of \$48 million to balance the budget. They will also take \$52 million from Manitoba Hydro this year whose debt has risen from \$6.3 billion to \$6.7 billion. According to budget documents at the end of 2000 there was \$320 million in the FSF, at the end of 2003; only \$145 million will remain in the rainy day fund. The province's overall debt has also increased by \$538 million. There is little doubt that if this government continues to spend the way they have been over the past four years, Manitoba will continue to be a "have not" province.



by Adrienne Batra

Manitoba
Director

With the delivery of Budget 2003 entitled *Building for the Future*, the NDP government has stayed true to their classic tax-and-spend form. This budget

documents claim that farm receipts have gone up 27% between 1999 and 2002 – an interesting assertion since according to statistics released by Consumer and Corporate Affairs Canada, 41 farms in Manitoba declared bankruptcy in 2002. Other announcements include:

- A new sales tax exemption for straw pellets used in heating & cooking
- \$43 million for the new NISA program
- two year extension of sales tax exemption on manure slurry tanks & lagoon liners
- New operating credit guarantee program to leverage \$60 million in private sector loans for farm operating expenses.■

Ontario Liberal's Democratic Reform Plan:

A GOOD STARTING POINT

Liberal leader Dalton McGuinty has released his party's platform on democratic reform and unlike some of his other election documents; this latest plank is innovative and strikes a reform-minded theme to improve our democratic system. In fact, CTF supporters will recognize many of the policies as our organization has been promoting them for years.

The plan is packed with some good ideas to make government more open and responsive. If elected, McGuinty's Liberals promise to establish fixed four-year election dates; ban partisan government advertising (those maddening ads that tell people what a wonderful job the government is doing); include all campaign spending as election expenses, like polling which is now exempt; and hold a referendum on voting reform.

To make lawmakers more accountable and effective Mr. McGuinty will allow more free votes; empower lawmakers to question the heads of government-owned agencies, and dock the salary of any cabinet minister who repeatedly fails to attend Question Periods.

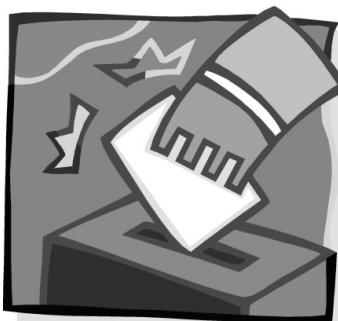
And to make government more transparent, the Liberals will expand the powers of the Provincial Auditor to scrutinize the spending of arms-length agencies funded by taxpayers; make all government agencies subject to the *Freedom of Information Act*; and disclose the annual payments to



by John Williamson
Ontario Director

all individuals sitting on agencies, boards and commissions.

Regrettably, the Liberal platform is not without a few bad ideas. For instance, the proposal to name Citizens' Juries to review policy proposals is a silly idea. It is an unnecessary duplication of the proper role of elected officials and risks increasing the power of special interests by appointing an unelected body to weigh in on public policy. We currently elect 103 MPPs to examine policy ideas and vote on them. Let them do their job and if they



don't we can vote them out. Juries, however, are beyond the reach of voters.

The idea to limit how much money individual citizens can contribute to political parties is similarly fraught with danger, particularly for taxpayers. Up in Ottawa, the Chrétien Liberals are set to replace voluntary donations to political parties with a taxpayer subsidy. This

change will erode democracy and accountability, not improve it.

Despite these obvious drawbacks, Mr. McGuinty's manifesto is, on balance, an impressive list of proposals that, if implemented, will improve government. Mr. McGuinty has raised the bar by including policy ideas that status quo parties normally avoid. Moreover, other provinces are already pursuing some of them. The B.C. Liberals have set fixed election dates and are planning a referendum on voting reform. Policy ideals promoted in western Canada are again springing up in Ontario.

Pleasantly, the plan also re-commits the Liberal party to balanced budgets. Mr. McGuinty has again promised to abide by the *Taxpayer*

Protection Act, an initiative spearheaded by the CTF to hold politicians accountable. This law, passed by the legislature in 1999, prohibits governments from raising most taxes and deferring scheduled tax cuts without first holding a province-wide referendum.

Good news for taxpayers often comes prior to an election and it remains to be seen whether the Liberals will keep these promises should they win government. That being said, Mr. McGuinty

and his fellow Liberals are promising to subject themselves to the *Taxpayer Protection Act* and reform how the Ontario government operates — that's an important starting point. ■



Ontario Director John Williamson (right) meets with Ontario Finance Minister Janet Ecker

CTF KEEPS UP THE PRESSURE

To say it has been busy at the CTF's Toronto office since we opened our doors last fall would be like mildly suggesting taxes are high in Canada. The truth, of course, is that Canadians are massively over-taxed and our CTF team is working overtime in Ontario.

Your CTF is the first to offer common sense commentary to the media following any tax-and-spend policy change, platform announcement, budget proposal or Throne

Speech. Simply put, statements from tax-happy politicians do not go unanswered.

But we don't just advocate for lower taxes, less waste and accountable government from outside the corridors of power. We get into the policy meetings, budget lockups and media scrums with our elbows up and policy hats on.

Since January, the Ontario wing of the CTF has met with government and opposition decision-makers. In January and again in April, we met one-on-one with Ontario Finance Minister Janet Ecker to present our pre-budget and Throne Speech policy priorities. It was a candid exchange of ideas, and we urged the government to spell out a new tax relief schedule to ensure strong economic growth. So far, we have been successful lobbying the government to end the personal income surtax and the capital tax. In the last budget, Minister Ecker announced the surtax threshold will be raised and the capital tax phased out. More recently, we met with Liberal leader Dalton McGuinty to

discuss his plan for Ontario and his party's continued support for the *Taxpayer Protection Act*.

In the pre-election period we are pushing the Ontario government to:

- Raise the Basic Personal Exemption from \$7,760 to \$15,000 over four-years. This plan will provide relief to all taxpayers and remove 750,000 taxpayers, mostly minimum wage workers, from the provincial income tax rolls;
- Establish a debt re-payment schedule. Debt means higher taxes and fewer spending options. We want Ontario's debt eliminated; and
- Revamp the property tax system by capping property assessments until an alternative to the Market Value Assessment scheme can be implemented. We need a property tax system that focuses on service consumption and tax fairness, not the value of our homes.

It's an election year in Ontario and we will be out in force articulating the changes that taxpayers want. ■

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